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PUBLIC WORKSHOP
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD
SPECIAL WASTE COMMITTEE
PUBLIC COMMENTS ON FIVE-YEAR PLAN FOR
THE WASTE TIRE PROGRAM

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
AUDITORIUM
21865 E. COPLEY DRIVE
DIAMOND BAR, CALIFORNIA

WEDNESDAY, OCTOBER 27, 2004

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

COMMITTEE MEMBERS

Cheryl Peace, Chair

Rosario Marin

Michael Paparian

Carl Washington

STAFF

Linda Dickinson, Staff

Sally French, Staff

Nate Gauff, Staff

Susan Happersberger, Staff

Jim Lee, Deputy Director

Victoria Rocha, Staff

Frank Simpson, Supervisor, Waste Tire Diversion

ALSO PRESENT

Ron Allevato, Grubble, LLC

Jeanette Babauta, LA County Department of Public Works

Michael Blumenthal, Rubber Manufacturers Association

Donna Carlson, Rubber Pavement Association

Imelda Diaz, Southern RACTC

Michael Harrington, BAS Recycling

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APPEARANCES CONTINUED

ALSO PRESENT

Terry Leveille, TL and Associates

Mike Mohajer

Ernest Moore, Ecoterra Global Limited

Reza Izadi, L.A. County Department of Public Works

William Prinz, City of San Diego

Lindsay Smith, Recycled Rubber Sidwalks, Inc.

Rick Snyder, U.S. Rubber

Ali Solehjoui, RJ Noble

Barry Takallou, CRM Company

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1 PROCEEDINGS

2 CHAIRPERSON PEACE: Good morning, and welcome to
3 the Special Waste Committee's second public workshop on
4 the Five-Year Waste Tire Program. I want to thank those
5 of you that are here to thank you for taking time out of
6 your busy schedule to be here.

7 We do have a quorum of the Committee, so we can
8 get started. So let the record show that Board Members
9 Carl Washington and Cheryl Peace are present from the
10 Committee, and also we are very pleased to have Mike
11 Paparian and our Chair Rosario Marin join us here this
12 morning.

13 First, I would like to remind everyone to please
14 put your cell phones and pagers on to your meeting or
15 vibrate mode. Second, there are speaker slips for anyone
16 wishing to speak.

17 And, Sally, where are the speaker slips?

18 MS. FRENCH: They're in the back.

19 CHAIRPERSON PEACE: If anyone wants to fill one
20 out and if you decide you want to speak, give the speaker
21 slips to Sally right up here in the front.

22 SB 876 required the Board to adopt a Five-Year
23 Tire Plan to establish goals and priorities for the Waste
24 Tire Program. The legislation also required that the
25 Five-Year Plan be updated, revised every two years, as the

1 Board's programs may need to change in response to the
2 developments in the tire recovery industry.

3 Revising the Tire Plan is a big undertaking. It
4 will need to be approved by the Board before the end of
5 our fiscal year, June 30th, 2005, and submitted to the
6 Legislature by July 1st, 2005. The plan will cover fiscal
7 years 2005-06 to 2009-10.

8 Do we make major changes, or do we just make
9 adjustments? Should the long-term strategic plan for the
10 Waste Tire Program focus on promoting and supporting end
11 uses that consume the largest volume of waste tires in the
12 most cost efficient way, such as RAC and civil engineering
13 as recommended in the Senate Report on Cost Control? Do
14 we invest in new products and new technologies and market
15 development that could potentially revolutionize the tire
16 world? Or can we find somewhere in between where the plan
17 can still be focused while staying within our budget?

18 The Committee and the Tire staff are anxious to
19 hear your comments and ideas on how to make the Waste Tire
20 Program better. So I know there's just a few of you here,
21 but don't hold back. This is the time to say what you'd
22 like to see.

23 Does anyone have anything they'd like to add?
24 Okay.

25 COMMITTEE MEMBER PAPARIAN: If it's all right. I

1 appreciate the chance to be here and join you today. And
2 with our new ex parte requirements that have been
3 explained to us, I guess I need to say some things on the
4 record if I care about a couple things. So I'll go ahead
5 and do that.

6 When I look at SB 876, it does give us some
7 guidance, and I wanted to highlight a couple of things in
8 SB 876 that are important to me. It gives us guidance and
9 tells us we're supposed to encourage manufacturers to
10 promote the use of longer-lasting tires and to develop
11 recycled content tires. We've already done some of that.
12 We're working on that in the product stewardship area.
13 But it's something I would like to highlight, since it is
14 one of the clear purposes of SB 876.

15 SB 876 also especially addresses the issue of the
16 solid waste hierarchy and tells us we're supposed to apply
17 the hierarchy, with source reduction being at the top of
18 the hierarchy. I think that's going to be important to
19 focus on as we work on the Five-Year Plan. And I've done
20 some --

21 CHAIRPERSON PEACE: But also SB 876 does say the
22 hierarchy is to be used as guidance and not a rigid
23 formula. So we can keep that in mind also.

24 COMMITTEE MEMBER PAPARIAN: I'm not sure what
25 that means.

1 CHAIRPERSON PEACE: It says -- there is a
2 hierarchy in the Five-Year Plan which says, you know, the
3 order of priority, source reduction, recycling,
4 transformation, which is energy recovery and tire-derived
5 fuel, and the last one, disposal. And then it says this
6 hierarchy is to be used as guidance, but not as a rigid
7 formula in establishing priorities for the Waste Tire
8 Program.

9 COMMITTEE MEMBER PAPARIAN: You're referring to
10 the last iteration of the Five-Year Plan. That was the
11 policy of the Board, not specific language in 876. The
12 specific language in 876 tells us that the Board's
13 expenditure of funds for purposes of this subdivision
14 shall reflect the priorities for waste management
15 practices as specified in Subdivision A of Section 40051.
16 It doesn't use that language about guidance. That was a
17 Board interpretation last time around. But I think it's
18 clear that the Legislature did intend for us to utilize
19 the hierarchy as we're making our decisions about the
20 Five-Year Plan. Is that -- does that seem okay or --

21 CHAIRPERSON PEACE: Yeah. Go ahead.

22 COMMITTEE MEMBER PAPARIAN: And then as we move
23 forward, I know, Chairwoman Peace, you asked for specific
24 suggestions, and I'll put some of these in writing. But I
25 think that as we move forward, we ought to look to

1 spending at least a couple million dollars annually on the
2 source reduction efforts, including the product
3 stewardship -- at least a couple million dollars annually
4 on researching alternative uses of tires, including
5 potentially developing some research partnerships with our
6 academic institutions in California to help us with
7 materials evaluations, civil engineering, design, follow
8 up on some of the studies that we've already done, and so
9 forth.

10 And then, as we move forward, I think that we
11 ought to look at a couple things in the Five-Year Plan. I
12 know I would like to look at a couple things in the
13 Five-Year Plan. SB 876 very clearly gives us guidance on
14 program evaluation in assuring we're regularly evaluating
15 this program and have ways to measure the effectiveness
16 over time of the program. Now that's it's been in effect
17 for several years, we ought to be able to take a close
18 look at that.

19 And then, finally, the last Five-Year Plan did
20 call for regular roundtables with the affected
21 constituencies in between the times of development of the
22 Five-Year Plan. I know we had one of those since the last
23 Five-Year Plan, a number of other related workshops and so
24 forth. But I'd like to see a little more openness in
25 conducting some workshops and roundtables with some of the

1 affected constituencies over time.

2 CHAIRPERSON PEACE: Okay. Thank you, Mr.
3 Paparian.

4 Does anyone have anything else they'd like to
5 add?

6 BOARD MEMBER MARIN: If I may, Madam Chair, one
7 of the things -- I'm very, very happy to be here. I'm
8 here to listen to what our stakeholders have to say. I
9 also want to have a better understanding.

10 I actually believe that both of you, from your
11 perspectives, I don't necessarily think they are
12 conflicting. One is what SB 876 mandates, and the other
13 might be what the Board has espoused. I don't necessarily
14 think they're conflicting. I think we can make sure they
15 complement each other more than anything else, and I'm
16 sure you'll make sure that gets done.

17 But I'm really happy to be here with all of you.
18 I'm eager to listen to what our stakeholders have to say.
19 And I may just have some questions when our proponents, if
20 you will, have their discussion, Madam Chair. Thank you.

21 CHAIRPERSON PEACE: Thank you very much.

22 And at this time, I'll turn the workshop over to
23 the Tire staff.

24 DEPUTY DIRECTOR LEE: Thank you, Madam Chair.
25 Good morning, Committee and Board members.

1 Staff would like to work through this agenda --
2 and I guess there's copies of it in the back -- to
3 basically walk through the various elements of the plan
4 and to hopefully set the stage and provide some grist for
5 the mill, if you will, for the discussions hopefully from
6 the various stakeholders and interested parties.

7 I've asked Sally French of my staff to kind of MC
8 the event along with Frank Simpson of our Tire Branch,
9 drawing on other staff that we have here in the audience
10 as necessary to discuss the proposals and present the
11 information to the Committee and the interested
12 stakeholders.

13 So with that, I'll ask Sally to give a few other
14 additional opening remarks.

15 (Thereupon an overhead presentation was
16 presented as follows.)

17 MS. FRENCH: Good morning. Our agenda is on the
18 screen. We've had our opening remarks. Next we're going
19 to hear from Jim Lee on AB 923, an overview. Then we'll
20 head to enforcement, then remediation, and then research,
21 and then lunch. There's a cafeteria on site. And then in
22 the afternoon after lunch we'll come back and hit our
23 market developing section, our hauler manifest, and then
24 we'll have some closing remarks. If you have any comments
25 on the Five-Year Plan --

1 --o0o--

2 MS. FRENCH: -- you can go the our website, which
3 is www.ciwmb.ca.gov/tires/fiveyearplan.—And we will be
4 updating information from the workshops and keeping you in
5 touch of what the next process will be.

6 We are also taking written comments, and those
7 can be sent to tiregrants@ciwmb.ca.gov, or you can fax
8 them to 916-319-7434. And the contacts for the Five-Year
9 Plan is myself, Sally French, at 916-341-6432, or we have
10 Victoria Rocha here today that you can contact at
11 916-341-6436.

12 COMMITTEE MEMBER WASHINGTON: Madam Chair, with
13 the time frames, if we could be cognizant of the fact
14 there's a storm that's coming through here, and I know
15 folks have to get back up north. If we don't have to take
16 up the time frames and go through these so people can get
17 back to the airport and get on planes, I hope that we will
18 keep that in mind. We do have a storm coming.

19 MS. FRENCH: Okay.

20 DEPUTY DIRECTOR LEE: Thank you, Sally.

21 I'll go through a quick discussion on AB 923, but
22 perhaps I would like to take this opportunity to vet a
23 little bit more of staff's feelings and opinions with
24 regards to the procedures for developing this revision of
25 the plan.

1 First of all, I think as staff has expressed at
2 earlier Board meetings, you know, we are very supportive
3 of comments made by the Committee Chair with regards to
4 trying to focus this iteration of the Five-Year Plan more
5 narrowly on what we have described as kind of a big ticket
6 item, chief among them being RAC and civil engineering,
7 things that we think will bring us the most cost effective
8 return for the moneys that we're investing in the program.

9 We also see a strong -- staff also supports some
10 other comments made by Board Member Paparian with regards
11 to the product stewardship and source reduction. We feel
12 those elements, as our Board Chair has mentioned, can be
13 accommodated within the context of this overall strategy.

14 What staff would like to do today is discuss the
15 elements of the existing plan and solicit the input from
16 the audience. We'd prefer not to get into a detailed
17 discussion on the various proposals at this time, but
18 rather we'd like to be able to take the time to thoroughly
19 consider all of the proposals and come back to the
20 Board -- I think we're talking probably in January -- you
21 know, with our opinions with regards to the various
22 proposals that have been presented and, indeed, are
23 specific suggestions on how we would revise some of the
24 elements in the plan.

25 So with that as kind of a brief opening

1 introduction, I would now like to move on to the overview
2 of the new legislation AB 923.

3 As you know, the existing Tire Program is funded
4 by a \$1.00 fee on new tires sold in the state. Under SB
5 876, this fee was to drop to 75 cents on December 31st,
6 2006. However, new legislation passed this year, AB 923,
7 by Assemblyman Firebaugh changed the fee structure. After
8 January 1 of 2005, the fee is raised from \$1.00 to \$1.75.
9 One dollar of this 1.75 will continue to fund the Waste
10 Board's Tire Program. The remaining 75 cents will be used
11 by the Air Resources Board to fund programs and projects
12 that "mitigate or mediate" air pollution caused by tires
13 in the state.

14 The Air Board estimates that tires, and more
15 specifically the tire decomposition, accounts for greater
16 than eight tons per day of particulate matter emissions
17 and that the fee increase bears "fair and reasonable
18 relationship" to the social and economic burdens caused by
19 this material by the decomposition. Furthermore, the Air
20 Board believes that under these circumstances there's an
21 adequate case to be made that air quality pollution caused
22 by tires can be mitigated by spending the tire fees to
23 reduce equivalent air pollution from other sources.

24 One other thing with regards to the fee is it
25 will change again on January 1 of 2007. Then the fee will

1 be reduced to \$1.50, with, again, \$1.00 still continuing
2 to come to the Waste Board and 50 cents going to the Air
3 Resources Board for their various air pollution reduction
4 programs related to tires.

5 In looking at the ARB's bill analysis, however,
6 there is some discussion with regards to whether or not
7 there still might be some subsequent actions they may want
8 to try to take to again change that fee structure to still
9 have the Waste Board's portion of the fee continue to drop
10 to 75 cents at December 31st, 2006. However, that is not
11 the way the legislation currently reads.

12 Are there any questions that I can answer for you
13 with regards to this item?

14 COMMITTEE MEMBER PAPARIAN: Madam Chair, could I
15 ask a question?

16 CHAIRPERSON PEACE: Sure.

17 COMMITTEE MEMBER PAPARIAN: We spend some money
18 to collect the fee. We have an administrative cost. It's
19 the Board of Equalization; right? How much do they charge
20 us approximately, do you know?

21 DEPUTY DIRECTOR LEE: Mr. Paparian, I'm not -- I
22 understand where you're coming from, and I guess I don't
23 have that information at my --

24 COMMITTEE MEMBER PAPARIAN: That's fine. I think
25 it would seem to be fair that in the collection of the fee

1 that we would proportionately allocate that cost to the
2 Air Board and to us, which then presumably would free up
3 some money for us for utilization and allocation in the
4 Five-Year Plan.

5 DEPUTY DIRECTOR LEE: I understand your position.

6 Sally, do you have anything else to add on this
7 point with regards to the administrative cost?

8 MS. FRENCH: Our contract with BOE is for about
9 \$750,000. We did meet with them a few weeks ago, and they
10 are presenting a BCP for additional positions. And I did
11 take some of our legal representation over there, and we
12 did tell them that we expect the Air Board to pick up that
13 additional cost and that our contract will stay the same.
14 So for them to collect the additional fee, the Air Board
15 would have to pick that up. What they're saying is they
16 need the additional positions, because they moved to an
17 annual billing, and they're going to have to backtrack and
18 do that on a quarterly basis now.

19 COMMITTEE MEMBER PAPARIAN: But maybe it's
20 something we may want to look at to make sure that we're
21 fairly allocating the costs associated with that fee
22 collection. It might free up some money for us.

23 DEPUTY DIRECTOR LEE: Sally, do you want to see
24 if there's any comments from the audience with regards to
25 that particular item?

1 MS. FRENCH: Do we have anyone that wants to
2 speak on AB 923?

3 Okay. We'll move to enforcement. Can you bring
4 up the Excel spreadsheet?

5 --o0o--

6 MS. FRENCH: Can you enlarge it a little?

7 Under our Enforcement Check Section, we have
8 staffing at \$1,525,000. And that's per fiscal year. And
9 that funds 15 positions, which is in our Northern and
10 Southern California office.

11 Our CHP contract is listed in these three fiscal
12 years as zero. We did have 200,000 that's in the
13 Five-Year Plan for this fiscal year, and that's for our
14 surveillance to identify possible illegal disposal of
15 tires.

16 And then, last, we have our Enforcement Grants,
17 which is at 6 million per fiscal year.

18 DEPUTY DIRECTOR LEE: I'd like to add a couple of
19 additional things I'd like to bring up with regards to the
20 Board's Enforcement Program in this area.

21 Again, the Center piece of this particular
22 element is the grants to the local agencies. That \$6
23 million is the lion's share of the funds. You know, the
24 Board was encouraged with SB 876 and some of the precursor
25 legislation, AB 117, to strongly encourage rolling this

1 program out to the locals to be administered and in our
2 discussions before the Board and in September and October,
3 you know, culminating in the Board's approval just this
4 month, you know, for the grant program for 03-04 -- 04-05.
5 You know, the Board I think acknowledged that at least for
6 this year that the money, the \$6 million, was necessary to
7 fund this program at an adequate level.

8 I think while on the face of the program it may
9 appear to be an inordinately large amount compared to
10 other programs that are being administered that are
11 similar in nature, like the LEA Enforcement Program, which
12 has got supplemental funding from other local fee support.
13 We feel that the Local Enforcement Tire Program is a very
14 cost effective alternative, which we feel shows great
15 promise towards addressing our enforcement needs and
16 supplementing the limited staff that we have available to
17 us here at the Board.

18 The other elements with regards to the CHP
19 involvement, they've been very useful and helpful to us
20 with various aerial flyovers and finding locations for
21 waste tire piles, and more importantly, the work they're
22 doing at the various roadside stops where they are a
23 supplement to our existing manifest hauler registration
24 program. They help us to enforce those requirements to,
25 you know, basically stop and ticket as necessary haulers,

1 you know, that are not properly handling waste tires. So
2 those are the current elements of the existing Enforcement
3 Program.

4 COMMITTEE MEMBER WASHINGTON: Madam Chair -- Jim,
5 if I remember, in our last Five-Year Plan we talked about
6 the enforcement staffing. And I believe that the
7 discussions were increasing -- because I know that some of
8 the discussions were that we don't have enough staff to
9 adequately cover the enforcement. I was just reading
10 where we have four -- I believe it said four inspectors.
11 We have four enforcement inspectors conducting inspections
12 and investigations of storage, transportation, disposal of
13 waste tires throughout the state. And whatever happened
14 with that discussion in terms of trying to increase some
15 of the staff for that, perhaps putting more money into the
16 enhancement for staff?

17 DEPUTY DIRECTOR LEE: Staff is pursuing a BCP for
18 the 05-06 year to do just that, to supplement our staffing
19 levels in the enforcement area here at headquarters, here
20 at the Board. But even with that, you know, we don't see
21 that effort will take the place of the local enforcement
22 grant program, you know, where the locals do the lion's
23 share of the work as far as doing inspections. There are
24 multi-thousands of potential sites, haulers, end use
25 facilities that cannot be accommodated with the existing

1 or the proposed staff that we are soliciting.

2 And, again, our recent overtures to try and get
3 BCPs through to an increase in Tire staff in various areas
4 over the last several years has not borne much fruit. So,
5 again, that's another reason why staff is very supportive
6 of trying to build on our existing relationships with the
7 locals to try to administer and enforce this program for
8 us.

9 COMMITTEE MEMBER WASHINGTON: And certainly I
10 appreciate that. I just think with the joint partnership
11 that we could certainly cover the state of California. As
12 you said, there are thousands and thousands of waste tires
13 laying around in places. And I think in the last
14 Five-Year Plan I talked about the Alameda corridor. I
15 could take you on a tour of the Alameda corridor and
16 probably show you 300 places between the 91 freeway all
17 the way to the 105 freeway in the short expansion of time.
18 So I certainly understand, and I hope that we can continue
19 to cultivate those relationships with the local
20 governments.

21 But I do believe that with the proper staffing
22 and helping with the existing staff that we do need some
23 extra folks around the state of California from our point
24 of view helping making sure that these things are
25 accomplished.

1 DEPUTY DIRECTOR LEE: I understand and agree.

2 MS. FRENCH: Okay. We have one speaker, William
3 Prinz, who's with the city of San Diego. And he's with
4 the Local Enforcement Agency.

5 MR. PRINZ: Good morning, Board members. I'm
6 Bill Prinz with the City of San Diego Solid Waste Local
7 Enforcement Agency.

8 And the City of San Diego has been a recipient of
9 the Board's Waste Tire Enforcement Grant over the past
10 five years. Through vigorous application of regulations,
11 San Diego has experienced a dramatic decrease in illegal
12 dumping and more uniform compliance with the manifest
13 system. So far this fiscal year and the last quarter,
14 we've conducted nearly 90 inspections of waste tire
15 facilities and generators. And in the last year, we've
16 cleaned up over 5,000 tires from the Tijuana River Valley
17 using Cleanup Grants through the Board.

18 Statewide enforcement of statutes and regulations
19 will prevent the legacy tire piles, which have plagued
20 California in the past. We would encourage the Board to
21 keep funding the Waste Tire Enforcement Grants as a
22 priority to local governments as you make plans for the
23 next five years. And that's my brief statement. Thank
24 you very much.

25 COMMITTEE MEMBER WASHINGTON: I have a question

1 for you. How many sites have you guys covered, or have
2 you found any violations of waste tires, not in the river,
3 but in backyards? Or have you guys noticed any --

4 MR. PRINZ: We haven't really found a lot of tire
5 dumps in San Diego. We work with local solid waste code
6 compliance. And, usually, the tire piles we find are very
7 small, just maybe ten tires or so at the most. And we get
8 those cleaned up through the local code compliance
9 program.

10 COMMITTEE MEMBER WASHINGTON: Thank you.

11 MR. PRINZ: Thank you.

12 CHAIRPERSON PEACE: I just had a question on the
13 CHP. This \$200,000 here is for aerial surveillance; is
14 that correct?

15 DEPUTY DIRECTOR LEE: Sally, correct me if I'm
16 wrong. I believe most of that 200,000 is for the local
17 stops for the CHP, the 200,000 for this year.

18 MS. FRENCH: On the enforcement side it's for
19 surveillance and the flyovers. And I think in the
20 manifest system there's another line item for the CHP, and
21 that's where you pick up your stops.

22 CHAIRPERSON PEACE: Under the manifest portion of
23 the plan it's like 400,000, and 400,000 goes to 600,000
24 for the stops. But this here is just for the aerial.

25 DEPUTY DIRECTOR LEE: That is correct.

1 CHAIRPERSON PEACE: So from '05 on, we don't
2 think we'll need that anymore, because our tire legacy
3 piles will be cleaned up, and we're doing just a good job.

4 MS. FRENCH: We still have some funds in that
5 contract. We'll have to do an analysis to see how far
6 that will take us and if we'll be able to accomplish
7 everything. And then see if additional funding will be
8 needed in the revised plan.

9 CHAIRPERSON PEACE: Did I hear in another meeting
10 at some point where somebody said that aerial
11 surveillance, the CHP isn't high enough? They don't get
12 high enough so you can actually pinpoint where the tire
13 piles are. Has anybody else heard that?

14 MS. FRENCH: I have not.

15 CHAIRPERSON PEACE: Okay.

16 DEPUTY DIRECTOR LEE: We'll look into that, Madam
17 Chair.

18 MS. FRENCH: We have one more speaker, and it's
19 Mike Mohajer. And he is representing himself today, he
20 says.

21 MR. MOHAJER: Good morning, Madam Chair and
22 members of the Board. For the record, as was stated, I'm
23 representing myself. I'm a retired county employee, L.A.
24 County, and I have several appointments with different
25 boards all involving with waste management, but I'm going

1 to be speaking on my own behalf.

2 I think \$6 million for the enforcement, it's
3 something that is a really good use of the money that is
4 being collected and being provided to LEAs for
5 enforcement. And I think the only enhancement I would see
6 that I would like for your Board to consider, have a
7 report back from the LEAs as you have, for example, for
8 the landfills, a summary of their activities on a maybe
9 annual basis so there would be some record of what has
10 been accomplished and to justify the use of the money.

11 CHAIRPERSON PEACE: Don't we do that already? I
12 think we do do that. We get a report on how many
13 inspections they do and surveillances they do.

14 MR. MOHAJER: Is it made available and under --

15 CHAIRPERSON PEACE: Maybe staff can answer that
16 question.

17 MS. HAPPEBURGER: This year we're actually
18 talking about making those reports electronic, so that
19 information will be available.

20 MS. FRENCH: Can you state your name?

21 MS. HAPPEBURGER: Susan Happersberger, Waste
22 Tire Enforcement Program.

23 MR. MOHAJER: It would be great for the report to
24 be attached to the landfills. And every time the issue
25 comes to the Board, that we have attachments so that the

1 public can also look into it and see what has been
2 accomplished. Thank you.

3 MS. FRENCH: Do we have any more comments for our
4 enforcement?

5 Let's move on to our remediation.

6 --o0o--

7 MS. FRENCH: Our Staffing is 692,000 per fiscal
8 year to fund five-and-a-half positions. We did note that
9 there is an error in the Five-Year Plan under fiscal year
10 07-08, and that should read 692, which would make the
11 total at the bottom 4,127,000 for fiscal year 07-08.

12 We have Long-Term Remediation, which is at 2.7
13 million, then goes to 1 million. And that's for our Tracy
14 tire fire cleanup.

15 We have our Short-Term Remediation Projects at
16 1.5 million, then 1 million. Then it goes down to
17 352,000. The Board has approved several sites in Sonoma,
18 one in Fresno, one in Madera, and one in San Bernardino
19 that would be cleaned up with these funds.

20 And then last, we have our Local Government Waste
21 Tire Cleanup Grants, which is at 1 million per fiscal
22 year.

23 Then we have our Local Government Amnesty Day
24 Grants, which it at 500,000, 750,000, and then 750,000.

25 And then our Emergency Reserve, which is at a

1 million dollars per fiscal year.

2 Our Farm and Ranch Solid Waste Cleanup Program,
3 which is at 333,000 across the board, and that is
4 transferred to our P&E section.

5 And then last is our Office of State Fire Marshal
6 Training, which is at zero. And we did have funding this
7 current fiscal year of 100,000. And I think that is being
8 used to update some manuals.

9 DEPUTY DIRECTOR LEE: A couple other things I'd
10 like to bring to the Committee's attention with regard to
11 this.

12 Under existing statute, the Board is charged to
13 spend not less than \$6 1/2 million on these items,
14 remediation efforts, through 06-07. As you can see, right
15 now we're a little below that for 06-07 as in the current
16 plan. That's something we either need to address -- and
17 we're going through the numbers on this right now. We may
18 need additional money in the long-term remediation for the
19 cleanup at Tracy. And, again, we're still tabulating the
20 potential costs and the time period for them occurring
21 with regard to the cleanup of the Sonoma projects. So
22 there may not be an issue with regards to that 06-07
23 number. That's something we're looking into.

24 I think that was all I wanted to bring to your
25 attention on this particular item.

1 CHAIRPERSON PEACE: In terms of the long-term, at
2 least right now we probably need 1.3 million more for
3 Tracy.

4 DEPUTY DIRECTOR LEE: Exactly, Madam Chair.
5 We'll be bringing an item to the Board in November which
6 talks about the Tracy contracts. And I think your memory
7 is better than mine on this. I believe it's over a
8 million dollars that we feel we're going to need over and
9 above what's in the item, you know, when the Board has
10 approved in the existing Five-Year Plan.

11 CHAIRPERSON PEACE: And the short-term
12 remediation, most of that money is earmarked for Sonoma?

13 DEPUTY DIRECTOR LEE: That is my understanding.

14 MS. FRENCH: In addition, an item was just
15 approved that had Fresno, Madera, and San Bernardino.
16 They each had one site.

17 CHAIRPERSON PEACE: The majority of it's
18 earmarked for.

19 MS. FRENCH: Yes. There's eight sites in Sonoma.

20 COMMITTEE MEMBER WASHINGTON: In terms of the
21 Local Government Amnesty Day, I believe I raised this
22 concern at our last Five-Year Plan, because it seems to me
23 that there's not a lot of participation going on. And I'm
24 trying to figure out why local governments aren't taking
25 advantage of this. Is there any particular reason, Sally,

1 or --

2 MS. FRENCH: We did take your concern, and the
3 last cycle I think we dropped the match and we were
4 oversubscribed. And so there was applications that had to
5 go to the reallocation item and were funded from there
6 because we were oversubscribed.

7 COMMITTEE MEMBER WASHINGTON: And I guess I'm
8 trying to figure out how can we get to these councils to
9 let them know that we have this Amnesty Day, because I
10 meet mayors and council members across the state. And
11 they're constantly saying, "Our constituency can't afford
12 to pay for this." I tell them we have an Amnesty Program,
13 and they ask where is it. Do we have a website or is it
14 up on the website?

15 MS. FRENCH: Yeah. Our website does have
16 information on all the grants programs.

17 COMMITTEE MEMBER WASHINGTON: I'll get that
18 information and try to provide it for the League of
19 California Cities or some of those folks so people will
20 know that the Amnesty Programs do exist. I would like to
21 see more of our local governments take advantage of this.

22 MS. FRENCH: Would you like us to contact the
23 League of Cities?

24 COMMITTEE MEMBER WASHINGTON: Yeah. Call
25 Ms. Hunter and let her know.

1 MS. FRENCH: Yes, I know here.

2 COMMITTEE MEMBER PAPARIAN: Madam Chair, I have a
3 recollection on the 542 versus 692, and maybe it might
4 have just been me. But I remember when I went through
5 this two years ago that I was thinking that the program is
6 decreasing over time and that staff itself would likely
7 get reallocated to some other portion of the Tire Program.
8 The amount of long-term remediation goes down to zero in
9 07-08. If that's accurate, hopefully there would be less
10 of a workload in this area -- in this program area. And
11 perhaps we could then talk about shifting staff to a
12 different -- whether it's manifests or market development,
13 whenever it might be.

14 MS. FRENCH: We'll go back and look at that. But
15 we went back to the writing on page 32, and it did list in
16 the narrative that it was 692 per fiscal year, and the
17 chart showed 542. We do show in our research section that
18 we are shifting staff over to markets, because we will be
19 doing less research. So there was a shift between those
20 two sections.

21 COMMITTEE MEMBER PAPARIAN: I don't know that we
22 need to get into what was actually right in the Five-Year
23 Plan.

24 MS. FRENCH: We'll make a note of that.

25 COMMITTEE MEMBER PAPARIAN: We ought to be open

1 to shift staff priorities over time as we spend less on
2 cleanup and maybe more on something else.

3 DEPUTY DIRECTOR LEE: I hear what you're saying,
4 Mr. Paparian. And I don't fundamentally disagree. I
5 think, as we mentioned, we've cleaned up Westley. We're
6 working on getting Tracy completed, and we expect to do
7 that in the next year or two. So I think I've had some
8 internal discussions with my staff in regards to what our
9 long-term plans are for some of that remediation staff.
10 Because clearly the long-term projects, you know, will be
11 over. So we will be prepared to speak more on that when
12 we come back before you probably in January with our staff
13 proposals.

14 BOARD MEMBER MARIN: Madam Chair, I have a
15 question. I think this is really, really good. And I'm
16 looking at what we're seeing as a total for 2007-08, and
17 obviously that is the total amount that's reduced, meaning
18 that we've accomplished a big task before the Board.

19 What I want to know, and this is -- actually, I
20 should have asked this question before. Because this
21 takes us to 2007-2008, which is really three years from
22 now. So when do we have the other two years to make it a
23 Five-Year Plan?

24 DEPUTY DIRECTOR LEE: Again, we will be
25 discussing that, I guess, when we come back in January and

1 we vet, basically, staff's proposal. But you're
2 absolutely right, Madam Chair, the Five-Year Plan is just
3 that. We haven't shown the two out years in that proposal
4 yet. But we certainly want to solicit any input from the
5 stakeholders and the interested public with regards to how
6 they see the funds being reflected in those outer years.
7 Obviously, this is just an iteration of what's in the plan
8 right now. And as you know, it only goes through 07-08.

9 MS. FRENCH: We have one speaker, and that's
10 Terry Leveille with TL and Associates.

11 MR. LEVEILLE: Madam Chair, good morning. I'm
12 Terry Leveille from TL and Associates. Good to see Member
13 Washington and our Board Chair Marin and Mike. Glad to
14 see you here, too.

15 I spoke at the Sacramento hearing where the three
16 of you were not in attendance, so I just want to reiterate
17 some of the things I said then just for your application.

18 I'm representing today right now the California
19 Tire Dealers Association North and South, represents
20 hundreds of sort of independent and some franchised tire
21 dealers. One of the things they do is, of course, they
22 have to charge their customers currently a dollar and, in
23 2005, 1.75 for disposal -- or for the recycling program in
24 addition to their disposal costs they have to charge for
25 this recycling program.

1 One of the things that we have been conscious
2 about is that the tire fee, which amounts to around 32
3 million, 35 million a year does sometimes become available
4 as what we call the cash cow for other types of programs.
5 The tire dealers, who are basically sort of the soldiers
6 in this whole thing, really would like to urge you
7 throughout these deliberations of the Five-Year Plan to
8 keep the programs that are allotted the tire fee in the
9 tire realm. And I'm going to be coming back here from
10 time to time today.

11 But there is one in this particular
12 enforcement -- or in this remediation program that we feel
13 is being used in a manner that really doesn't effect the
14 issues that we're dealing with, which are primarily
15 cleaning up tires, enforcement, regulations, et cetera.
16 And that's in the Farm and Ranch Program. 333,000 is
17 allocated for the next three years.

18 If you look at the results of these cleanup
19 programs, it's a great program. There's no question about
20 that. But if you look at the results of this program,
21 there's no doubt in my mind that the money -- a
22 significant portion of that money -- and the program is a
23 million dollars. It's taken from three different funds,
24 including the Tire Fund. That program is significantly
25 dealing with solid waste issues, not tire issues.

1 I remember a couple years ago the Tire Program
2 staff reported on how many tires were cleaned up in some
3 of these programs, and I think there was a question
4 directed to staff about that. And we're dealing with
5 literally hundreds or maybe a couple thousand of tires in
6 each of these cleanup programs.

7 Once again, it's a great program. But it should
8 be funded from the Integrated Waste Management Account.
9 It shouldn't be funded -- a third shouldn't be funded from
10 the Tire Fund. We think it's an abuse of the Tire Fund
11 money that could go to other programs.

12 I know 876 was a landmark piece of legislation.
13 One of the weaker parts of 876 was the requirement that
14 \$6.5 million had to be allocated for clean up for the next
15 five years. It came on the heels of the Westley and the
16 Tracy tire fires. So it was natural that the Legislature
17 was concerned about these things.

18 But I have a feeling that in order to try and
19 reach that \$6.5 million a year, Board staff has tried to
20 figure out as much as possible where we could put that
21 money. Well, since the Farm and Ranch Program falls under
22 that category, that's 333,000 you don't have to worry
23 about to reach that 6.5 million. I would much rather see
24 maybe \$50,000 allocated to the Farm Program and the rest
25 of that money go to the Amnesty Day Program.

1 I think Mr. Washington's idea of marketing that
2 Amnesty Day Program through the local governments is an
3 excellent one. And I would much rather see that money
4 going to be able to clean up these little backyard tire
5 piles and stockpiles like that than going to the Farm and
6 Ranch Program. And that could be made up with the IWMA or
7 the Used Oil Program. But as far as I say the tire
8 dealers are concerned, we feel this is one of those kind
9 of areas where it really doesn't focus on the tire
10 programs. Okay. Thank you.

11 BOARD MEMBER MARIN: Madam Chair, I would like to
12 have a little bit of background since I wasn't here when
13 the Tracy fire took place. And I'm sure some of this
14 money, as Terry pointed out, was allocated for the ranch
15 facilities and farming facilities. I want to know the
16 genesis of that and the justification for continuation of
17 that. And you don't have to do it right now. I'd just
18 like to have that information for my own edification.

19 DEPUTY DIRECTOR LEE: We'll put that together,
20 Madam Chair.

21 A couple of remarks about that. It's something
22 that right now the Farm and Ranch Program is supported by
23 the IWMA, Used Oil, and Tires. I hear Mr. Leveille's
24 remarks and he makes some good points. But, you know,
25 since I also sit and part of my original responsibilities

1 were in the Used Oil Program where our funding situation
2 is considered even more dire than the Tire's, there's
3 definitely not money in the Used Oil side to pick up
4 additional responsibilities there.

5 And then, like I said, in attending a lot of exec
6 staff meetings, the IWMA fund is being pressed pretty hard
7 as well. So I think what we will do is go back and
8 research this issue, find out what the genesis is and what
9 the statutory considerations are and be prepared to kind
10 of discuss this the next time we get together.

11 COMMITTEE MEMBER WASHINGTON: It would certainly
12 be easier, Jim, if you didn't have Used Oil.
13 Unfortunately, you have that task of dealing with that.

14 DEPUTY DIRECTOR LEE: That's true.

15 COMMITTEE MEMBER WASHINGTON: But I think Terry
16 is absolutely correct, Madam Chair, in, again, the farm
17 and ranch solid waste. And I think that's the nuts and
18 bolts of this particular item, what is solid waste? What
19 are we actually cleaning up? Are we cleaning up tires?
20 And then that goes right back into, if that's the case, we
21 could have the local governments cover some of those
22 things for us. So if we can kind of take a look at it,
23 and I think we could get there.

24 BOARD MEMBER MARIN: This is one of those you ask
25 Peter to pay Paul kind of things.

1 COMMITTEE MEMBER WASHINGTON: Rob Peter to pay
2 Paul.

3 BOARD MEMBER MARIN: Ask. I'm nicer.

4 MS. FRENCH: Do we have any more comments under
5 remediation?

6 Okay. We're going to turn it over to Frank for
7 our research.

8 WASTE TIRE DIVERSION SUPERVISOR SIMPSON: Madam
9 Chair, distinguished Board members, I'm Frank Simpson with
10 the Waste Tire Diversion Program. And I'll be filling in
11 this morning for Branch Manager Mitch Delmage who's
12 otherwise stuck in Sacramento in another meeting.

13 --oOo--

14 WASTE TIRE DIVERSION SUPERVISOR SIMPSON: I can
15 refer you to Table 7, that's on page 31 of the Five-Year
16 Plan.

17 Staffing is at \$457,000 for three-and-a-half
18 positions in 05-06. And in 06-07, one and one-quarter
19 positions will be shifted to the market development
20 section of the Tire Program to manage our increasing
21 marketing outreach needs.

22 Paralysis, Gasification, and Liquefaction are
23 funded at zero. This research was funded in 03-04 and
24 04-05.

25 Energy Recovery from Tires is funded at zero.

1 This activity was funded in 03-04 and 04-05, and the money
2 has been or will be reallocated since the Board is
3 prohibited from conducting this type of research.

4 Civil Engineering uses for tires is also funded
5 at zero. This research was funded in 03-04 and 04-05.
6 Civil Engineering for 05-06 through 07-08 has been shifted
7 to the market development section of the program.

8 Increased Tire Life Span is funded at 200,000 per
9 fiscal year.

10 The RAC Study is funded at 200,000 in 06-07.
11 This allocation is to test a section of highway for side
12 by side field tests including all three RAC processes.

13 The Updated Report "Tires as Fuel Supplement" is
14 also funded at zero. This did have funding in 04-05 and
15 will be reallocated since the Board can no longer conduct
16 this type of activity.

17 Fire Responder Health Effects is also funded at
18 zero. This had been funded during 03-04. It has been
19 determined that health and safety protocols are found to
20 be adequate to protect first responders. This funding is
21 now not needed.

22 Water Quality in Tire Chips into projects has
23 funding of \$500,000 in 05-06 for a water quality study of
24 whole or shredded tires used in applications to determine
25 the effects of tire material runoff on to potentially

1 sensitive receptors.

2 The Department of Health Services Mosquito and
3 Vector Control Association of California is listed at
4 \$350,000 per fiscal year to minimize the threat of the
5 West Nile Virus. Research, surveillance, and treatment
6 activities will be conducted by DHS in collaboration with
7 MVCA.

8 The Third-Party Peer Review is funded at \$75,000
9 per year for a neutral third-party peer review resource.
10 But under further investigations, we did find that CalEPA
11 has a master service agreement for third-party peer review
12 at no additional cost to the program.

13 And the Department Transportation Support is
14 funded at zero. This activity had \$1,100,000 in fiscal
15 year 03-04 and 600,000 in 04-05. This support was
16 originally to identify the cost effective applications for
17 RAC, assess the feasibility of recycling RAC, provide
18 tools for the Department of Personnel in terms of
19 guidelines for the use of RAC, and to develop and deliver
20 training for department, local agency, and industry
21 personnel.

22 Are there any comments on this section?

23 MS. FRENCH: We have one speaker, and that is
24 Terry Leveille with TL and Associates.

25 MR. LEVEILLE: Good morning, Madam Chair and

1 Committee Board members. It's always a pleasure to hear
2 Mr. Simpson. I feel like I'm on KCRA TV or something.

3 Once again, this is an issue that we've -- the
4 tire dealers have had some problems with, because we feel
5 there's a couple of items here that need to be looked at
6 for whether or not they are really doing anything.

7 The first one would be the increased recycled
8 content in new tires issue. I know that's an issue that's
9 very important to the Board, but we have had a number of
10 studies. In fact, we just had a recent study that was
11 commissioned by the Board that indicated that there was
12 some significant problems in terms of marketing, in terms
13 of the ability for the manufacturers to look at that issue
14 in any depth. Mr. Blumenthal is here from the RMA that
15 can speak about where the tire manufacturers are coming
16 from on that. But we've got \$300,000 allocated for the
17 next three years for that particular item.

18 Water quality and tires chips in the projects,
19 that one is one that would go to, I believe, the regional
20 water quality districts to look at whether or not there's
21 leachate coming out of tires that are put in civil
22 engineering applications. And I don't think there's been
23 any indication whatsoever that this is the case. In fact,
24 the studies I've read all along have been very, very clear
25 that there is no issue on the contaminate from water

1 moving through tire chips. And we're dealing with, what,
2 a half-million dollars there in 05-06.

3 And then, finally, the mosquito control and
4 research, which allocates over a million dollars over the
5 next three years primarily with the Department of Health
6 Services. Granted, this is a really good program. It's
7 really important, especially with the onset of West Nile
8 Virus. The Department of Health Services should be funded
9 to do this. Tires do collect water and they do breed
10 mosquitoes. But so do tin cans. So do abandoned swimming
11 pools. So do backyard holes in a vacant lot that, you
12 know, just collect water.

13 This is way oversubscribed for the Tire Fund and
14 really has no place as far as what your priorities should
15 be and what the Tire Program's priorities should be. They
16 should be focused on eliminating tire piles. They will be
17 focused on assisting communities to eliminate those kinds
18 of problems and enforcement, regulations, making sure the
19 haulers are acting according to regulation. They
20 shouldn't be looking trying to track down mosquito
21 breeding areas.

22 Thank you.

23 CHAIRPERSON PEACE: If we do a good job cleaning
24 them up, there won't be any places for mosquitoes to breed
25 in.

1 MR. LEVEILLE: I'm sure they'll find some other
2 places.

3 MS. FRENCH: We have another speaker, and that's
4 Mike Mohajer.

5 MR. MOHAJER: Madam Chair, I just want to build
6 up on what Terry just mentioned. One thing when I was
7 looking at these tables, I would like to have probably
8 some written response and reference with the item second,
9 third, and forth on the table, which is pyrolysis, energy
10 recovery, and civil engineering uses for tires. And there
11 are no moneys allocated for the '05 through '08. I
12 certainly would like to know the justification for it and
13 also the result of what has been accomplished in the past
14 two years.

15 And in reference to the \$350,000 that is being
16 allocated to the Health Department for mosquito abatement
17 control, maybe that portion of the 75 cents that is going
18 to be going to the Air Resources Board could be used to do
19 this study. Thank you.

20 DEPUTY DIRECTOR LEE: Madam Chair, if I may, I
21 would like to kind of respond briefly to a couple of those
22 things.

23 First of all, I think as Mr. Simpson discussed,
24 certainly the energy recovery from tires, you know, we are
25 precluded from doing additional -- providing additional

1 financial support. For the pyrolysis, gasification, and
2 liquefaction, it probably falls under that same
3 prohibition. We're researching that with our Legal
4 Department.

5 Civil engineering uses for tires, I believe the
6 reason there was no funding proposed in the out years in
7 this plan is because we think that we've done enough that
8 kind of shows that civil engineering is a very viable
9 alternative. Indeed, we want to spend more money on
10 actually putting projects in the field as opposed to
11 studying it more. I'm pretty sure that's the reason why
12 we have no funding identified in those areas in the out
13 years.

14 With regards to Mr. Mohajer's statement with
15 regards to the Air Resources paying their 75 cents that
16 they will be collecting pursuant to AB 923, that's
17 something that, again, is not under our control. Again,
18 that was -- I don't believe that the Waste Board took any
19 position on this matter one way or the other. It was kind
20 of legislatively determined that they would get the funds
21 for that particular use. And so at this point there
22 wasn't much else for us to say with regards to that.

23 BOARD MEMBER MARIN: Madam Chair, I have a couple
24 of questions. Because if I look at even the title of this
25 table, it says "Budget for Research Directed at Promoting

1 and Developing Alternatives to the Landfill Disposal of
2 Tires." I want to know how increased tire life span
3 relates to that. I'd like to even know about the RAC
4 study. I think we've studied RAC a lot. I don't know
5 what that particular study in 2006 or '07 would do. The
6 water quality and tire chips into projects, I cannot --
7 and maybe I don't understand exactly what is it that we're
8 going to do on that study that will be directed at
9 promoting and developing alternatives to the disposal of
10 tires. The same thing for mosquito control, and even the
11 third-party peer review. I really would need a lot more
12 specific information as to what the research would do that
13 would end up in having tires not end up into landfill.
14 Nothing here tells me that.

15 CHAIRPERSON PEACE: I would like to start at the
16 top here, the increased recycled content in new tires, we
17 have \$100,000 for the next four years. Is that like for
18 four different studies or what? Because haven't we
19 already done that?

20 COMMITTEE MEMBER WASHINGTON: All these studies.

21 CHAIRPERSON PEACE: We've already done an
22 increased recycled content in new tires. I remember
23 reading a report about that. And we have \$100,000 for the
24 next four years. So is that the same kind of study?

25 Mr. Blumenthal, maybe you'd like to speak to

1 that.

2 COMMITTEE MEMBER PAPARIAN: Madam Chair, one of
3 the things that came out of the process of developing that
4 study was really exciting in this area. What we found --
5 and I think Mr. Blumenthal, though he doesn't like us
6 getting into the recycled content area, I think he'll
7 verify this. There's as much as 10 percent of the content
8 of new tires that can go for Mr. Leveille's dealers right
9 now, today, as much as 10 percent of the content is
10 recycled content.

11 We had the manufacturers actually come and
12 testify and verify this. We have it on the record. We
13 have it on the transcripts. They told us they would tell
14 us which tires had that recycled content so we could then
15 encourage the use. But now they've backpedaled on that a
16 bit.

17 And I think one of our challenges over the next
18 few years will be to see what we can do to extract that
19 information and then encourage the use of those tires that
20 do promote recycled content, do contain recycled content.
21 If you have a choice between one tire that has some
22 recycled content and one tire that doesn't, if more people
23 buy the ones with recycled content, obviously, you will
24 increase the use of recycled content.

25 CHAIRPERSON PEACE: We still have to get over the

1 hurdle of trying to convince the public that a tire with
2 recycled content is as safe as the one that doesn't have
3 recycled content.

4 COMMITTEE MEMBER PAPARIAN: I think that's a
5 mythology that's out there, and maybe it would help to do
6 some research on what we could do to overcome that. Maybe
7 that would be important. But I think that is certainly
8 one of the things that Mr. Blumenthal has said before,
9 that there's belief in that perception. But I don't think
10 we've seen any real data to indicate that -- as it applies
11 to the tires sold today that contain recycled content that
12 that's a problem.

13 MR. BLUMENTHAL: I guess that's my cue. Madam
14 Chair, members of the Board, thank you for the opportunity
15 to speak to you today. My name is Michael Blumenthal. I
16 do represent the Rubber Manufacturers Association. The
17 RMA is the principle trade that represents the seven
18 U.S.-based tire manufacturers. I'd like to start with
19 other issues first and then get into the issue of recycled
20 content.

21 On the issue of do you need to study tires and
22 leachate, I would suggest the answer is no. Your major
23 contractor working on civil engineering applications, Dr.
24 Dana Humphrey, already has published two five-year field
25 studies; one above the groundwater level, one below the

1 groundwater level of tires in the environment. These were
2 real field projects. Both of those are in PDF format.
3 They are public information. We have them on our website.
4 I think they are about the best that's out there. I think
5 there's probably six to eight different state studies also
6 pretty much with the same conclusion. But the two studies
7 by Dr. Humphrey have been the longest and the most
8 complete. So I would suggest that information already
9 exists.

10 As far as studying mosquito habitats in tires,
11 let me tell you mosquitoes do very well in tires. I mean,
12 they breed -- the National Center for Disease Control said
13 mosquitoes breed 4,000 times faster in tire piles than
14 they do in their natural habitat. We know this. There
15 will be mosquitoes with or without tires. The issue is
16 not to study their habitats in tires. The issue is
17 getting rid of the tire piles and the individual tire's
18 that's out there. That's public education.

19 The Amnesty Days that you have, the cleanup days
20 that you have, the public information programs that you
21 have are all things we think should be continued and
22 focused on, because that gets rid of the tire. Get rid of
23 the tire, get rid of the problem. You'll still have
24 mosquitoes here. It's not going to solve the problem, but
25 it will solve one aspect of the problem.

1 Let me talk about civil engineering applications.
2 We will never say all the research has been done.
3 Certainly, there's a lot of information out there. Our
4 website has over 120 different reports on use of tire
5 shreds in civil engineering applications. They are
6 available at no charge. There's been a lot of work out
7 there. Once again, you have contracted with Dr. Humphrey
8 to do some work here in California. I would suggest if
9 you could get the focus in on market development, the
10 education of the Department of Public Works, the Caltrans
11 of the world, the consulting engineers of the world here
12 in California, that would probably do more to expand the
13 market than further research. Not that the book is
14 closed, but that there's been an awful lot of work out
15 there. There already are ASTM specifications on civil
16 engineering. Dr. Humphrey and I put that work together.
17 It's been in ASTM for the last six years and is a viable
18 tool.

19 Onto the issue of recycled content. One of the
20 first things I'd like to mention is that pretty much in
21 the same breath Board members are talking about recycled
22 content and longer-wear tires. The two are incompatible.
23 You cannot increase the life of a tire and increase the
24 recycled content of the tire at the same time. There have
25 been three studies out there, one in 1992 that our

1 association did, the report that was done by the state of
2 California, and a report done by the state of North
3 Carolina, which was actually --

4 COMMITTEE MEMBER PAPARIAN: Mr. Blumenthal, let
5 me just interrupt. I think the report from North Carolina
6 that you're referring to was talking about dramatic
7 increases. If you had dramatic increases, there was some
8 question about that.

9 Will you tell us which tires today have recycled
10 content, as was promised, so we can go verify it
11 ourselves? Can we just go look at Mr. Leveille's tire
12 dealers, look at which tires have more recycled content?
13 We can determine for ourselves whether they're 80,000 mile
14 tires or 10,000 mile tires.

15 MR. BLUMENTHAL: I cannot specifically tell you
16 which tires contain recycled content. And the two
17 gentlemen, one from Michelin, one from Good Year, at the
18 August 2002 meeting that we had here overspoke their
19 boundaries. They are not hiding the fact that many of the
20 tire manufacturers use recycled content in tires.
21 Certainly, they do. We consume about 50 million pounds a
22 year of recycled content in tires. But the specific tire
23 which they go into, I'm not sure they have that
24 information.

25 COMMITTEE MEMBER PAPARIAN: But you're telling us

1 those tires that they sell today with recycled content get
2 awful gas mileage, or get awful tread wear, rather.

3 MR. BLUMENTHAL: I would suggest that the tires
4 which contain recycled content get a lower amount of
5 mileage out of their tread than tires that do not contain
6 recycled content.

7 COMMITTEE MEMBER PAPARIAN: Can you let us know
8 which tires those are so we can verify that? Because the
9 studies you're citing, it's apples and oranges. The
10 studies don't talk about the tires that are sold today.
11 They talk about some possible 20, 25 percent use of
12 recycled content --

13 MR. BLUMENTHAL: Actually, the first study that
14 we did in 1992 looked at between 2 and 5 percent.

15 I need to make one technical correction to some
16 of your statements. It's not 5 to 10 or 15 percent of the
17 tire that will contain recycled content. It is 2 to 5 to
18 10 percent of the rubber component of the tire that will
19 contain recycled content. There's a very big difference
20 in those two numbers.

21 COMMITTEE MEMBER PAPARIAN: Can we find out which
22 tires sold today have recycled content so we can verify
23 the validity of what you're telling us?

24 MR. BLUMENTHAL: I do not have that data.

25 COMMITTEE MEMBER PAPARIAN: Can you ask your

1 manufacturers to be forthcoming with that, as they
2 promised a couple years ago?

3 MR. BLUMENTHAL: We have asked our members, and
4 the answer from corporate was no, they preferred not to.
5 They considered that proprietary.

6 COMMITTEE MEMBER PAPARIAN: So how can we believe
7 that those tires that are sold today in Mr. Leveille's
8 members' shops are the awful tread wear tires? How can we
9 believe that, unless we can get some information and
10 understand that?

11 MR. BLUMENTHAL: Let's see if we can clear up a
12 couple terms with the awful tread wear tire. You can
13 design a tire to do almost anything. I would suggest that
14 the bigger problem that you have with shorter-life tires
15 are not tires that contain recycled content. It's the low
16 cost imports that are coming in, not from our
17 manufacturers. They're your 20,000 mile tires, your four
18 for \$100. These tires are very popular on the west coast.
19 They're sold in large quantities. These are tires that
20 are wearing out in less than 20,000 miles.

21 COMMITTEE MEMBER PAPARIAN: And those are the
22 recycled content ones?

23 MR. BLUMENTHAL: Chances are, no. They are made
24 to go 20,000 miles. I can give you some rough idea of
25 what type of tire will contain recycled content.

1 Agricultural tires typically contain some recycled
2 content.

3 CHAIRPERSON PEACE: Excuse me. When you talk
4 about recycled content that's being used in tires right
5 now, are you talking about crumb rubber recycled content?
6 Are you talking about the rubber that's collected already
7 at the plants like the scrap that's then put back --

8 MR. BLUMENTHAL: Some of that is. But for Mr.
9 Paparian's purpose, we're talking about recycled content
10 from tires that are processed down to, say, anywhere from
11 100 to 400 mesh, which is an ultra-fine material. There's
12 only one company in this country that can manufacture 400
13 mesh rubber. And that's Edge Rubber in Chambersburg,
14 Pennsylvania.

15 COMMITTEE MEMBER PAPARIAN: Actually, just to be
16 clear, I'm talking about both sources. I think when we
17 look at the origins of paper, recycled content paper, the
18 very first recycled content paper that was used, used some
19 of the pre-consumer scraps and recycled into paper and
20 then actually were able to incorporate more of the
21 postconsumer. Certainly, there are reasons the
22 postconsumer would be more desirable. But I'm talking
23 about both when I talk about recycled content.

24 MR. BLUMENTHAL: Typically, the rubber that Edge
25 does supply the tire manufacturers comes from postconsumer

1 or end-of-life tires, not necessarily factor scrap. There
2 may be some, but the vast majority of it is end-of-life
3 tires coming from the marketplace.

4 So there is some in the marketplace. I cannot
5 tell you which ones. But I do challenge the statement
6 that Mr. Paparian made about there is no data on what
7 consumers would prefer. When the Michelin Tire Company
8 had an arrangement with Ford Motor Company on the sale of
9 recycled content tire for the Ford Aerostar -- Aerostar --
10 Windstar -- their minivan, some of those tires contained
11 up between 5 and 10 percent recycled content of the rubber
12 component of those tires. They made a specific overt
13 effort not to identify which tires contain recycled
14 content in the market study that Michelin concluded --
15 that Michelin did.

16 The conclusion was that consumers generally do
17 not believe that recycled content in tires are as safe or
18 as long wearing as, say, totally virgin rubber product
19 tires. They also believe that if there is recycled
20 content in there, they should be in lower cost to them
21 because you're buying a recycled content material. I
22 agree these are fallacies. But this was the mindset that
23 was out in the marketplace, and we believe that mindset
24 still is so.

25 So there is a general belief that recycled

1 content materials -- especially in tires where safety is
2 the number one factor, that recycled content will
3 compromise safety. Let me assure you that that is not so.
4 There is no first tier, second tier tire. There's only
5 one standard, and that's the safe tire, four, for the
6 record. But that does not mean that public perception
7 sees it the same way. So there is a concern about
8 recycled content, not that it has been factual, but is a
9 perception.

10 COMMITTEE MEMBER PAPARIAN: The Ford Windstar,
11 the tires they were putting on there, do they get lower
12 tread wear?

13 MR. BLUMENTHAL: I don't think so. I think
14 Michelin engineered such that the 5 percent recycled
15 content did not lower. But keep in mind, the original
16 equipment tires typically are rated about 40, 45,000
17 miles. That's how they're engineered.

18 COMMITTEE MEMBER PAPARIAN: But the only
19 empirical data we have is that the recycled content on
20 tread wear is comparable. In terms of studies of consumer
21 preferences, again, when you look at recycled content
22 paper and any of our other products, often we start with
23 the large users. In this case, it would be the fleets or
24 particularly those fleets that are trying to green up
25 their image a little bit, perhaps those that have done ISO

1 2000 certification or whatever.

2 Have any studies been done on the large vehicle
3 purchasers, the people who would have larger fleets,
4 whether you could overcome whatever perception problems,
5 if they exist might exist, with their buyers?

6 MR. BLUMENTHAL: Well, first off, let me say
7 there is a very large difference between putting recycled
8 content in paper which is a non-dynamic material and
9 putting recycled content into a tire.

10 COMMITTEE MEMBER PAPARIAN: I don't disagree with
11 you on that. But I think we do agree there are tires sold
12 today with up to 10 percent recycled content that --

13 MR. BLUMENTHAL: They do not have up to 10
14 percent content. They have 1 to 3 percent of the rubber
15 content as recycled content. It's not just 10 percent.
16 So let's keep it --

17 COMMITTEE MEMBER PAPARIAN: It's up to 10 percent
18 of the rubber, isn't it?

19 MR. BLUMENTHAL: No.

20 COMMITTEE MEMBER PAPARIAN: It's 1 to 3 percent
21 of the total weight.

22 MR. BLUMENTHAL: It's someplace between a half to
23 3 percent of the rubber content in certain tires is the
24 recycled rubber.

25 COMMITTEE MEMBER PAPARIAN: So when the gentlemen

1 from the tire manufacturers came and testified to this
2 Board it was up to 10 percent, what were they referring
3 to?

4 MR. BLUMENTHAL: They did make tires that did
5 contain up to 10 percent of the rubber component for the
6 Ford Motor Company. What they found out was that it
7 increased the cost of manufacturing the tire and did not
8 add any benefit. There was no longer wear. There wasn't
9 any more durability. They had to engineer around the
10 recycled content factor to get the tire to the standards
11 that they had to have. So what they found was recycled
12 content was not a benefit to the tire manufacturing
13 product.

14 Also want to point out that typically the
15 recycled content that is in tires are on your lesser tread
16 wear tires, maybe your 30, 40,000 mile tires. Your
17 longer-wear tires, your speed-rated tires, your
18 longer-wear tires do not contain recycled content.

19 COMMITTEE MEMBER PAPARIAN: How do we know that?
20 We know the Windstar was a decent tire. We would love to
21 know that. And I think that's, you know, something that
22 would be very helpful to us to understand, you know, not
23 just a statement. Because I think what we found is that
24 some of the statements that have been made over time, when
25 you really get down to it, there's nuances. It's not

1 quite right, you know.

2 MR. BLUMENTHAL: I'm not sure what you mean by
3 nuances, that's not right.

4 COMMITTEE MEMBER PAPARIAN: Well, when we first
5 started with the recycled content in tires, there were
6 people that said, "Well, it didn't -- it wouldn't work.
7 There isn't recycled content tires out there available."
8 You couldn't encourage the use. And then we found all
9 those statements were wrong. There are recycled content
10 tires sold today that we could go buy. We just don't know
11 which ones there are.

12 MR. BLUMENTHAL: I'm not sure who you're
13 referring to making statements that there has been no
14 recycled content in tires, but I think we've been fairly
15 up front and consistent in saying there is recycled
16 content in certain tires. Which tires -- the model in
17 which the recycled content is placed does change and the
18 change is consistently due to a number of manufacturing
19 principles. And when we have asked our member companies
20 for a list, they were not forthcoming.

21 I can tell you that in general, your agricultural
22 tires, your internodal tires, and your lesser wear tires
23 will contain or could contain recycled content. Once you
24 go above 45,000 miles on your tread wear warrantee, you do
25 not find recycled content. It is well known that putting

1 recycled content into tires, there is a corresponding
2 decrease in the durability of the component in which that
3 recycled content is placed. So they try to find places in
4 the tire where they can add that recycled rubber without
5 compromising or degrading the durability or performance of
6 that tire. In other words, they will find ways to
7 engineer it so it doesn't do any degradation to the
8 performance of the tire. I don't think that's the intent
9 here.

10 I think when you're looking at the number one
11 goal is getting fewer tires in the landfill or getting the
12 diversion from the landfill, the first "r" is reduction.
13 And that is by the use of longer-wear products. When you
14 have a tire that can go 50, 60, 80,000 miles, versus a
15 tire that can go 40,000 miles and may contain recycled
16 content, there's a two-to-one ratio. And certainly if you
17 want to increase the tire wear, recycled content is not
18 the focus that we would recommend.

19 We would suggest that the focus should be on
20 purchase of longer-wear tires as well as tire care and
21 maintenance. Because the other component, as we fairly
22 well know, is that most of the driving public do not take
23 care of the tires. They don't think about tires until
24 something goes wrong with them. Consumer education,
25 changing habits, taking care of the tires I think should

1 be a one-two punch. One is the focus on longer wear
2 tires. Two, taking care of the tires. The rotation, the
3 air inflation, the proper maintenance of the tire will
4 make the tire last longer. And if the goal is, indeed,
5 reduction of the waste product, then that serves your end
6 better than anything else.

7 Thank you for your time and attention. Any
8 questions?

9 CHAIRPERSON PEACE: Thank you.

10 And in this item here it says increased recycled
11 content in new tires. It says that the Board will work to
12 identify the higher recycled content product lines and
13 then encourage government to use them. It sounds to me
14 like we're not going to get the manufacturers to tell us
15 which of their tires have recycled content in product.

16 COMMITTEE MEMBER PAPARIAN: I think we may have
17 to work a little harder to get them to be forthcoming. I
18 think it's possible --

19 CHAIRPERSON PEACE: Personally, I guess I just
20 don't see spending \$100,000 a year to try to get the tire
21 manufacturers to tell us how much recycled content is in
22 their tires. So I think that money can probably be better
23 spent trying to inform people how to take care of their
24 tires so they last longer in the first place.

25 COMMITTEE MEMBER PAPARIAN: I think the latter

1 part I think does deserve more funding. But I don't think
2 we can ignore -- and the law was clear on this that we
3 should encourage the use of recycled content in tires. I
4 don't think we can ignore that. I think what's been said
5 is very clear. There are recycled content tires sold
6 today. There are some tire lines that use a lot more than
7 other tire lines. There are passenger tires that are sold
8 with recycled content. There are agricultural tires, all
9 kinds of tires that are sold with recycled content. And
10 that's part of the fundamental mission of our Board is to
11 encourage the use of recycled content products.

12 DEPUTY DIRECTOR LEE: Madam Chair, if I can have
13 a quick comment on that.

14 I think from staff's perspective, I think in the
15 discussion this morning you've heard some of the concerns
16 that we're dealing with. I think while it's desirable to
17 get additional recycled content in tires, the research
18 we've seen to date is not promising. But, again, some of
19 the information may be suspect, because of the fact,
20 again, the manufacturers allege a lot of it's proprietary.

21 One way I think we're going try to approach this
22 is to try to engage the manufactures in some product
23 stewardship initiative. By putting more of this to public
24 light, perhaps there could be more encouragement in this
25 particular area. But just looking at the data that we've

1 had available and the manufacturers made available, just
2 the idea of pursuing recycled content in tires as a main
3 focus of our strategy does not appear to be fruitful to us
4 at this particular time. That is why we, like I say, are
5 trying to concentrate on some areas of the program, RAC
6 and civil engineering, where we think offer more immediate
7 promise for taking care of our tire problem.

8 CHAIRPERSON PEACE: Just one more question, Mike.
9 When you said the recycled content in new tires that you
10 were using the crumb rubber from used tires and not
11 putting the scrap back into new tires, or do they do that
12 also? Because one way or another if that scrap is not
13 being reused, then it's going to a landfill.

14 MS. DICKINSON: Linda Dickinson.

15 The report indicated it was scrap from the
16 manufacturers' facility that they --

17 CHAIRPERSON PEACE: It's not going to landfill
18 then. They reuse that.

19 MS. DICKINSON: Correct. That's what they would
20 use --

21 CHAIRPERSON PEACE: From what I understand, it's
22 easier to use because they know the chemical components of
23 their own scrap than they do of used tires.

24 MR. BLUMENTHAL: The answer is that it is
25 actually both. It depends on the manufacturer. I can

1 tell you that when Michelin did their recycled content on
2 tires with Ford Motor Company, they insisted that it was
3 only Michelin tires. And they did use a fair amount of
4 their own factory scrap. I know that the Good Year Tire
5 and Rubber Company does buy rubber on the open market, as
6 does Continental General -- now it's Continental North
7 America. So both do happen, and it just depends on which
8 company that you are looking at.

9 BOARD MEMBER MARIN: Can I ask you a question?
10 Because this is my dilemma, and I've been listening
11 carefully to every single word everybody has uttered here.
12 I can understand where our desire and our mandate to
13 increase recycled content on everything. I mean, we have
14 a whole bunch of programs trying to get manufacturers of
15 all kind of products to increase recycled content in their
16 product. If you understand that that is our mandate, I
17 understand why the tire manufacturers would be concerned
18 about any perception that utilizing any recycled content
19 in the product makes it less safe and, therefore, be
20 unwilling, if you will, to disclose which tires.

21 I can understand that. I drive a car with four
22 children. The last thing that I want to know is that
23 maybe the tires that I have on my car may not be as safe.
24 So I can appreciate that. Safety is a sacred concern, and
25 I can fully appreciate the ramifications of the perception

1 that might be erroneous, but never the less is there, that
2 using recycled content in a tire makes it less safe.

3 So for me it's, can we work on that perception?
4 Can we -- and I don't know whether it's up to the rubber
5 manufacturer if we need to increase -- not increase, but
6 better the perception out there or demystify that
7 perception, then maybe that's a different study. How do
8 we change habits from human behavior? That's a little bit
9 difficult to change.

10 But that doesn't negate the challenge that we
11 have in trying to get as many companies to use as much
12 recycled content as they can. I'm trying to find out if
13 there is a way -- and this is probably way out of line
14 from what we're attempting to discuss here. But I really
15 would like to have a heart to heart, because I believe the
16 rubber manufacturers would want to work with us in tandem
17 to come up with a working solution to the challenge that
18 we have. I think we can espouse a relationship where we
19 understand you, but you also work with us to fulfill our
20 mandate. I don't think that it's incompatible at all. I
21 think we can work together to achieve fundamentally goals
22 that will be beneficial to both of us.

23 And it's probably -- Mr. Lee, it's probably
24 beyond this particular item. It just seems to me that
25 they understand where we are. I think that this Board

1 appreciates the concerns that the rubber manufacturers
2 have, but I think we can work together.

3 DEPUTY DIRECTOR LEE: I understand what you're
4 saying, Madam Chair. Again, the dilemma is it's hard for
5 us to promote a product if we can't get it identified.
6 But I'm also very sensitive to the concerns that
7 Mr. Blumenthal has expressed. Again, the research, the
8 reports that I've seen indicate that, again, there is a
9 definite compromise in the overall long life of the tire
10 when you try to put in a lot of additional recycled
11 content. Unfortunately, though, we can't get the
12 information to independently verify that statistic. So,
13 again, it's tough to publicize something when you don't
14 have that information.

15 I mentioned earlier, again, trying to continue to
16 engage the manufacturers into a product stewardship
17 initiative. I think the more we try to work with them,
18 advise them of our concerns and issues, that perhaps, you
19 know, we can encourage them to be more forthcoming or to
20 be more explicit about their reasons for not wanting to
21 identify to the public, you know, the use of this
22 material.

23 MR. BLUMENTHAL: I would say there's three basic
24 thoughts that come into mind. First off on perception. I
25 think we can get something a little bit more immediate and

1 something you can get your hands around. That's the
2 perception of the rubber on the road. The parts of the
3 tire, mostly truck tires that you see on the highways, not
4 just in California, but across the country. Most people
5 would say those are those stupid retreads that are out
6 there that aren't any good. The reality is that
7 90 percent of that rubber on the road is from truck tires.
8 Fifty percent of that comes from retreads. The other
9 50 percent comes from new truck tires. So you have just
10 as great a likelihood of having a new truck tire tread on
11 the road as you do having a retread component on the road.

12 But the perception is, "Those are retreads. We
13 shouldn't use them because it's an inferior product."
14 Truth is, nothing inferior about a quality retread. You
15 can't sell a truck tire today that cannot be retreaded.
16 It's the single biggest selling component. And that makes
17 those truck tires last 3, 4, 500,000 miles.

18 But there is a perception out there that all the
19 rubber on the road comes from truck tire retreads. And
20 there's ample information out there to show it's not. The
21 Tire Retread Information Bureau that's here in California
22 has been trying to educate truck drivers and policymakers
23 on this for years. That perception is still out there.
24 So when it comes to tires, there's a lot of negative
25 perceptions and something we certainly have to work with.

1 As far as bringing in the members and talking to
2 the Board about our concerns and your programs, I would
3 say that we would welcome that opportunity and would, you
4 know, call your office to see if we can work something out
5 to sit down and really go over these issues and to discuss
6 certain possibilities. I can't go beyond that, but I can
7 certainly say our members are not going to walk away from
8 our discussion. Certainly, our presence out here in the
9 last several years will indicate we are taking a very keen
10 interest here in the activities here in California.

11 As far as the product stewardship effort goes, I
12 think you need to bifurcate that particular program. The
13 meeting that you had in July was not so much a product
14 stewardship meeting, per se. It was a California market
15 development stakeholders' meeting. Nothing wrong with
16 that. I think that's very good. As you know, the markets
17 for scrap tires over the last three years have decreased
18 in California. I think it's the right thing to do to sit
19 down with all the major parties and look at what has to be
20 done to get those numbers back up. And, certainly, we are
21 very interested in being a part of that discussion. I
22 think we have a lot of resources to bring to the table.

23 But as far as a national product stewardship
24 program is concerned, there already is one that is
25 ongoing. And, as we mentioned, in July the U.S. EPA has

1 something called the "Resource Conservation Challenge."
2 Tire manufacturers are part of that, of the tire group.
3 And we would encourage the Waste Board to become more
4 active. So far there's only one person that's been on
5 there, and that's from Michael Paparian's office. I'm
6 having a senior moment. I don't remember the woman's
7 name.

8 BOARD MEMBER PAPARIAN: Peggy.

9 MR. BLUMENTHAL: Peggy Farrell. See how it comes
10 back so quickly. But that's been the only person on any
11 of the phone calls. As a matter of fact, if Hurricane
12 Ivan didn't go through the panhandle of Florida, I would
13 be in Florida right now in Pensacola for an RCC meeting.
14 But, unfortunately, the hotel is under water and that
15 meeting was postponed. But I would encourage the Waste
16 Board to have more involvement with the RCC. Ultimately,
17 they're going to get to where you want to go anyway. And
18 I think that is a vehicle that already exists in which we
19 are participating on. I think that can achieve your goals
20 also. So thank you.

21 DEPUTY DIRECTOR LEE: Madam Chair, just for the
22 record, you know, staff is participating on this recycled
23 content challenge. We've been working with Board Member
24 Paparian's office. We listened in on several of the
25 conference calls. You know, it's our perspective we're

1 going to continue to be involved with that. But we're a
2 lot further ahead than many other states that are involved
3 in this particular area. So at this point we don't see
4 their efforts as precluding, again, the product
5 stewardship initiatives that we're talking about doing
6 here in this state with the Board.

7 COMMITTEE MEMBER PAPARIAN: And I know Mitch
8 Delmage has -- maybe he wasn't too vocal, but I know he
9 has participated in some of those calls as well. So our
10 staff has been aware of some things and been providing
11 some information to that effort.

12 MS. FRENCH: Our next speaker is Donna Carlson,
13 and she's with the Rubber Pavement Association.

14 MS. CARLSON: Madam Chair, Madam Chair, and
15 members of the Board, I'm Donna Carlson. I'm the Director
16 of Communications with the Rubber Pavement Association.

17 I would like to address a question to the Board
18 about the nature of the RAC study, before I proceed with
19 my remarks, and the genesis of that proposal.

20 MR. GAUFF: I'm Nate Gauff. I'm with the Special
21 Waste Division of the Board.

22 The RAC study that's listed in the Five-Year Plan
23 there, that money was actually allocated, I believe, in
24 02-03 fiscal year. And at that time we did already have
25 in place a contract with Caltrans to do a comparative

1 study of the three different types of -- three predominant
2 types of rubberized asphalt, namely, asphalt rubber,
3 terminal blend, and dry process.

4 What we were planning to do with that \$200,000 at
5 the time was to do a study looking at recycling of a
6 rubberized asphalt section. Since we had the ongoing
7 contract with Caltrans, we decided to push that out to the
8 06-07 fiscal year and look at it at that point.

9 Since that time, we entered into a second
10 contract with Caltrans, which is the total of \$1.7
11 million which has a recycling component in it. So it may
12 be unnecessary for us to look at that RAC study. It was
13 kind of a placeholder from the 02-03 years that we pushed
14 out, because we had something ongoing then. And since
15 then, we've entered into a second contract that we plan on
16 looking at doing some type of recycling study with the
17 existing \$1.7 million contract with Caltrans.

18 MS. CARLSON: I'm glad to hear that answer,
19 because I spoke to you at your first meeting and warned
20 you about reinventing the wheel. And to place three more
21 test sections would be definitely reinventing the wheel,
22 as there have been test sections placed in the state. We
23 have existing pavements all over the state of these three
24 different processes.

25 And I would like to speak to the process and the

1 fact that a lot of research effort is being dedicated to a
2 terminal blend. And a terminal blend is a product mostly
3 proprietary. In fact, I don't -- these are products
4 promoted by the oil companies, who should have sufficient
5 funds to do research on their products. They typically
6 contain from 3 to 10 percent rubber, far less than the dry
7 process or asphalt rubber, as we call it, and you call it
8 RAC and general up here. Those contain 18 to 20 percent
9 rubber. So if you're looking at using up amounts of crumb
10 rubber, those are two processes.

11 The terminal blend -- and I will repeat a story I
12 just learned. The Caltrans district materials engineer
13 put down a test section up in one of the districts. The
14 rubber that they utilize in their process -- and it's
15 added into the asphalt at the terminal -- there is no way
16 that a public works inspector can see that process. So
17 there's no way other than their word how much rubber is
18 actually in it. And Dr. Takallou can speak to that issue
19 very -- I think he's done a lot of work about the use of
20 rubber. And mostly that rubber is totally digested. So
21 what benefit is it? What benefit does it give to the
22 pavement or the binder? It is put in there to capitalize
23 on an environmental gimmick. That is my personal take on
24 it.

25 But to get back to the story about Caltrans, and

1 this is a recent project. She told me that the rubber
2 came from the state of Arkansas and it was buffings. And
3 they were allowed to see the sacks of the buffings that
4 came from the state of Arkansas.

5 So when we're talking about using public money to
6 promote research on proprietary products, I think we ought
7 to take a second look, especially if those companies can
8 well afford to do the research, the testing on their
9 products that need to be done. So that is all I have to
10 say.

11 And I'm glad to hear Nate's answer to my question
12 because I thought, oh, no. Here we go again. We did
13 Ravendale probably 25 years ago where you tested all
14 three. And District 1 is doing some more that's going to
15 be tested. So even if you embarked on this program, you'd
16 all be gone by the time the results were available,
17 because it would take ten years to get results. So,
18 meanwhile, spend that 200,000 bucks on getting more
19 agencies to use the products that use sufficient amounts
20 of rubber. Thank you.

21 MS. FRENCH: We have one more speaker, and that's
22 Rick Snyder with U.S. Rubber.

23 MR. SNYDER: Rick Snyder, U.S. Rubber.

24 I just had a point of contention. Cheryl
25 mentioned that the waste rubber from the new tires was

1 being recycled by -- they were reusing it. Well, last
2 year U.S. Rubber put in for a grant, and the focus of our
3 grant was to recycle the scrap from our process. We're
4 one of the largest makers of molded products in the USA.
5 And the grant was turned down, I was told by staff,
6 because you can't recycle a tire twice.

7 The problem I have with it is we generate more
8 scrap from recycled tire rubber than most of the grant
9 recipients do with their new products. So I think there
10 is a disconnect between the Board's idea of recycling
11 tires and what the staff thinks recycling tires is.

12 BOARD MEMBER MARIN: Excuse me.

13 MS. DICKINSON: This is Linda Dickinson. And
14 that wasn't why we turned down your grant. We turned down
15 your grant because you didn't get a passing score.

16 MR. SNYDER: And I was told because you can't
17 recycle a tire twice.

18 MS. DICKINSON: That wasn't why. It did not get
19 a passing score.

20 MR. SNYDER: That's true. I understand that.

21 MS. DICKINSON: That wasn't why --

22 MR. SNYDER: Passing score is, you know, kind of
23 a broad term.

24 MS. DICKINSON: Well, I could talk to you later
25 as to why, if you'd like. That wasn't the reason.

1 MR. SNYDER: Okay.

2 BOARD MEMBER MARIN: Okay. I need to understand.
3 What is it that you understand by the fact we can't
4 recycle a tire twice?

5 MR. SNYDER: Well, I was told by staff that -- in
6 our process, we use recycled crumb rubber. We make
7 product. And around the product we have trim, about 30
8 tons a week worth of trim. And it's kind of interesting
9 because several of the recipients don't make that much in
10 new product. So I was told that we can't recycle that
11 trim and turn it back into usable product again because
12 it's already been counted as a waste tire as a PTE at one
13 time. And Linda can say that, but it's not true.

14 DEPUTY DIRECTOR LEE: Madam Chair, we'll look
15 into the situation and see what the deal was. And like I
16 say, I think Linda was alluding to all the grants are
17 competitive. They're based on criteria which the Board
18 approved. And the scoring for Mr. Snyder's grant as well
19 as all others, they have to show they comply with, you
20 know, to the various criteria. I'll take a look at the
21 situation and see if the criteria would have precluded a
22 type of project he's mentioning.

23 BOARD MEMBER MARIN: I would appreciate that,
24 Madam Chair. And one of the things I would love to do is
25 just -- I'm interested in that. Can we recycle a tire

1 twice? I mean, as far as I'm concerned, the mandate of
2 this Board would mandate us to recycle it 10 times if
3 necessary, so long as it doesn't end up in the landfill.
4 But I would like to know whether there is any philosophy
5 out there that has that as -- that is pervasive out there.
6 Or is it there? It may not be there. Thank you.

7 DEPUTY DIRECTOR LEE: Madam Chair, I believe that
8 concludes all of the comments with regards to this
9 particular element.

10 CHAIRPERSON PEACE: Oh, no. I have more.
11 Go ahead.

12 COMMITTEE MEMBER WASHINGTON: Let me get mine out
13 of the way.

14 As it relates to the fire responder health
15 effects, Jim, 250 for 04-05. That's a study to tell us
16 whether the attire they're using has the appropriate
17 protection to go in and take out a fire?

18 DEPUTY DIRECTOR LEE: I think -- I believe that
19 that money -- let me ask my staff for a second.

20 COMMITTEE MEMBER WASHINGTON: Because I
21 remember --

22 DEPUTY DIRECTOR LEE: I believe we reallocated
23 that money for last fiscal year, and I believe that will
24 probably be the case for this year. I don't have all my
25 staff here to respond to that. We'll look into it.

1 CHAIRPERSON PEACE: It seems to me last year I
2 said no, I don't think we need that study. And so we
3 didn't use that 200,000 last year. It was reallocated.
4 So this year it's in here again for 250,000.

5 DEPUTY DIRECTOR LEE: It's in there because it's
6 in the Five-Year Plan. But, like I said, I'd like to
7 verify this when I get back to the office. But I believe
8 our intent is to propose it for reallocation in this year
9 in May as well.

10 COMMITTEE MEMBER WASHINGTON: I would certainly
11 like to see that money if we can possibly put that back
12 into the IWMA and certify a public something officer, you
13 know. The guy that goes out there, he's almost like the
14 first responder to all tire fires. The ones I've been to,
15 the first name I hear is Todd and the Waste Board. So I
16 would certainly like to see something. And we can talk
17 about it later as far as making him a public health
18 officer where he's really doing the job of those
19 firefighter folks out there. So I'm just concerned about
20 that. And if it's the case, we'll reallocate it and
21 that's fine.

22 MR. BLUMENTHAL: Also this year the California
23 Fire Marshal's Office did a rewrite of their tire fire
24 prevention firefighting manual, and they also included a
25 section on post-incident cleanup. I worked with the

1 California Fire Marshal's Office on this particular
2 project. It is simply the best training mechanism out
3 there on how to prevent, plan for, and fight tire fires,
4 as well as to how to clean up the aftermath of tire fires.

5 CHAIRPERSON PEACE: Is that what the \$100,000 was
6 used for? In the budget for the cleanup and abatement, we
7 had that Office of the State Fire Marshal training. Like
8 you said, that \$100,000 updated a manual. Is that the
9 same manual he's talking about?

10 MS. FRENCH: I think so. We're in the process.

11 MR. BLUMENTHAL: And the person in charge of
12 that, his name is Rodney Slaughter. He is the Deputy Fire
13 Marshal. He's located in Sacramento, and he's the person
14 that has been going out around the state and giving this
15 particular training course. It is the best training
16 course out there.

17 CHAIRPERSON PEACE: So we don't need this only
18 \$250,000?

19 MR. BLUMENTHAL: Only if you want him to go back
20 out and continue his training program. As far as the
21 writing of the document, that has been done. Rodney also
22 has taken the California Code for tire storage and
23 submitted that to the National Fire Protection Agency,
24 NFPA, which is the standard writing organization for the
25 firefighting community, and has asked them to modify their

1 outdoor storage regulations to conform with that of those
2 here in California. We did not oppose that. And so that
3 has been done.

4 So Rodney is doing a couple things. And,
5 certainly, I would encourage the Board to consider the
6 continuation of the training course itself. You don't
7 need to write anymore. They have CDs. All those things
8 have been done. But to get Rodney out in the field to
9 talk about tire fire prevention and how to fight a fire if
10 they do have one, he is the best out there. And he's a
11 real asset to the department. Thank you.

12 BOARD MEMBER PEACE: So as far as you're saying,
13 the pyrolysis and gasification, liquefaction, you're
14 saying you're not even sure if we can do those because of
15 the trailer bill?

16 DEPUTY DIRECTOR LEE: Yes, Madam Chair. I think
17 there's some discussion about whether or not it falls
18 under the prohibition in the trailer bill, the language in
19 the trailer bill which prohibits the Board's financial
20 support for projects that are considered incineration.
21 And issue is whether or not PGL projects do fall under
22 that incineration clause.

23 CHAIRPERSON PEACE: And energy recovery from
24 fires, of course, we can't do that one either.

25 DEPUTY DIRECTOR LEE: Yes.

1 CHAIRPERSON PEACE: And then how about an updated
2 report, "Tires as a Fuel Supplement"?

3 DEPUTY DIRECTOR LEE: Probably the same
4 situation.

5 CHAIRPERSON PEACE: Because if we're just
6 talking -- I thought we just couldn't spend money on the
7 promotion, but can we still spend money on the affects?

8 DEPUTY DIRECTOR LEE: I think our initial take on
9 that was probably not. But we'll research that.

10 CHAIRPERSON PEACE: And then when it comes to
11 civil engineering uses in tires, again, I don't know how
12 much more research and stuff we need on that. If we put
13 more money into that, I'd like to see more money put into
14 it to encourage the use of it, not to do more studies of
15 it. Because I think we've done enough studies on that.

16 And then, again, can you explain to me increased
17 tire life span, \$200,000 a year? So there's a million
18 dollars. Can you tell me what that plan is?

19 COMMITTEE MEMBER PAPARIAN: As they're coming
20 forward, Madam Chair -- and I think whether it's in
21 research or someplace else, I think this is one of the big
22 opportunities for us in the tire area and one where I
23 think overall in the plan we need to really increase the
24 funding to assure that tires last longer on the road. I
25 don't remember the exact number. Something like the

1 average tire in California gets about 44,000 miles more or
2 less, if I remember the numbers right. If we could just
3 increase that by 10 percent, we could pull 3 million tires
4 a year out of the landfills.

5 So whatever we can do to encourage the purchase
6 of longer-live tires and the maintenance of tires so that
7 they last longer on the road, I think it's a real big bang
8 for the buck. And I think that 200,000 may actually be
9 low in this area, and we may actually need to be looking
10 at increased funding in this area.

11 DEPUTY DIRECTOR LEE: Madam Chair --

12 CHAIRPERSON PEACE: But it's more research.
13 Research for possible methods for increasing tire life.
14 We know how to increase tire life span. Keep your tires
15 inflated.

16 DEPUTY DIRECTOR LEE: Part of this was with
17 regards to this was something the Board committed to as
18 part of the last Five-Year Plan. It had to do with a
19 two-year commitment as -- there's a letter from our Board
20 Chair to the California Energy Commission on this. And
21 they are working along with -- what's the other agency --
22 with General Services on the study to basically identify
23 tires that are both -- have both recycled content and are
24 fuel efficient -- that have both, are both long-lived and
25 also fuel efficient.

1 There was legislation I think that was put forth
2 by Assemblyman Nation that this particular line item in
3 the budget was responsive to. And, again, as I said,
4 there was a specific commitment for at least through the
5 05-06 year to this particular arrangement with the
6 California Energy Commission and Department of General
7 Services. Unfortunately, that's all that comes to mind
8 immediately, you know, on this. And I can probably get
9 some additional perspective once I get back to the office
10 and talk to my staff that's directly involved.

11 COMMITTEE MEMBER PAPARIAN: Chair Peace, I think
12 if you're suggesting that some of this conceptually
13 belongs more in market development and that's maybe where,
14 if we had increased funding, that's where it may go. That
15 may make sense. It's kind of in this in-between area
16 where we're trying to come up with programs to market the
17 idea of buying longer-live tires, to market the idea of
18 maintaining your tires better, and to provide consumers
19 with the information they need to purchase longer-live
20 tires and to maintain their tires so they last longer on
21 the road.

22 CHAIRPERSON PEACE: I understand that, and that's
23 a good concept. But the Board doesn't have enough money
24 to do that. We don't have enough money to tell everybody
25 in California -- we don't have enough of a marketing

1 campaign to do that. I think that's up to the Rubber
2 Manufacturers Association and the tire dealers.

3 COMMITTEE MEMBER PAPARIAN: I think if we set a
4 modest goal of increasing the tire life on the road by 10
5 percent over some period of time, I think we can get
6 there. I think there are things the state can do in
7 working with fleet owners and working with -- we do this
8 in a lot of other areas we work in.

9 CHAIRPERSON PEACE: If we just encourage DGS and
10 stuff like that to buy the longer-live tires to begin with
11 and keep them inflated and put the nitrogen in them --

12 COMMITTEE MEMBER PAPARIAN: Right. And if you
13 look at the Used Oil Program, we work with fleet owners
14 there and we can work with fleet owners on this. There
15 are things we do to try to educate the public.

16 BOARD MEMBER MARIN: If I may, this might be an
17 area where we can actually jointly work with the Rubber
18 Manufacturing Association in a joint marking campaign.

19 CHAIRPERSON PEACE: They have a Tire Smart
20 pamphlet they give out.

21 BOARD MEMBER MARIN: I agree with Cheryl saying,
22 first of all, we don't need another study to tell us what
23 we already know. We already know how to increase the
24 lifespan of a tire by using it -- by keeping it inflated,
25 by checking, by rotating it. And, actually, there's --

1 now I forgot. There's four steps or something like to do
2 it.

3 But, nevertheless, I agree that we may actually
4 look into the possibility of switching some of this
5 funding to the Market Committee, and this is a broader
6 issue for the Board. But I really just don't see having
7 more money allocated to study something we already know
8 the results of. So that's my position.

9 CHAIRPERSON PEACE: Okay.

10 COMMITTEE MEMBER WASHINGTON: Ditto.

11 MR. MOHAJER: I'd like to speak on a couple of
12 items that Jim made response to.

13 In reference to the trailer bill, the issue came
14 out -- at least the impression was very clear that the
15 gasification and pyrolysis is incineration. I totally
16 disagree with that statement. And if the Waste Board
17 staff feels that gasification and pyrolysis is
18 incineration, then I would like to have that statement in
19 writing to be substantiated.

20 Secondly, I'm not promoting the use of
21 gasification or pyrolysis for using the tires. I was just
22 speaking to the purpose of the definition of incineration
23 versus gasification, pyrolysis. And, you know, the state,
24 the Waste Board, has spend over one-and-a-half million
25 dollars to study pyrolysis, gasification, and other

1 conversion technologies. So I'm coming from that
2 standpoint, and I really take exception to that statement.

3 Secondly, in response to the DHS and \$350,000
4 that was allocated, my suggestion was that if the Waste
5 Board staff and the Air Resources Board staff get together
6 and discuss -- to look at the possibility if the Air
7 Resources Board is willing to contribute at least a
8 portion of the money. And I was somewhat disheartened to
9 hear the answer no. This is something that you need to
10 discuss to find out. And that's the statement I made.
11 Thank you.

12 CHAIRPERSON PEACE: Nobody else puts in money,
13 because we're the cash cow.

14 MR. MOHAJER: There you go. Thank you.

15 CHAIRPERSON PEACE: Anything else, or are we
16 ready for lunch?

17 DEPUTY DIRECTOR LEE: Madam Chair, with your
18 permission, staff would like to propose in following Board
19 Member Paparian's recommendation to see if we can adjourn
20 earlier. If it's the Board desire, we're prepared to push
21 on with perhaps a brief five-minute break to use the
22 facilities so we can adjourn at an earlier time. What's
23 the Board's pleasure?

24 CHAIRPERSON PEACE: Do you think you can finish
25 in the next hour? Is that okay with everybody? Let's

1 come back at 12:15.

2 (Thereupon a recess was taken.)

3 DEPUTY DIRECTOR LEE: Madam Chair, again, just
4 before we close the discussion on the research component,
5 again, I'd like to get one last word on this pyrolysis,
6 gasification issue.

7 Nate Gauff is working on a current contract there
8 that was authorized by the Board a couple years ago and
9 it's nearing fruition. I'd like to have him speak very
10 briefly to that issue.

11 MR. GAUFF: Hi. I'm Nate Gauff again. We did
12 enter into a contract with U.C. Riverside to do an
13 investigation of this kind of state of the art of
14 pyrolysis, gasification, liquefaction. And that report
15 should be final and coming before the Board probably in
16 the next 30 to 60 days, or actually would be probably
17 December, for our review -- presentation to the Board of
18 the findings of the report.

19 But on the issue of whether pyrolysis,
20 gasification, liquefaction is an energy recovery, it is a
21 thermal process. And I think it's gotten lumped into the
22 energy recovery issue, even though you're not actually
23 burning the tires in pyrolysis or gasification or
24 liquefaction. It is a thermal process that degrades the
25 tire down to different materials, namely steel, gas,

1 carbon black, and oil.

2 And right now our Legal staff is looking into the
3 fact of does it fit under the prohibition or does it not.
4 If it does, then obviously there's nothing we can do at
5 this point -- or I don't think there's anything we can do
6 at this point to utilize the 300,000 that's set aside this
7 year. However, if it does not, you know, fit under that
8 preclusion through the trailer bill language, there are
9 some possible projects that may become available that we
10 might be able to utilize some of this money.

11 I don't think we'll utilize nearly the majority
12 of the 300,000, but there are a couple of issues that I'm
13 aware of. One is a testing issue utilizing tires in a
14 pyrolysis process to actually test it and look at the
15 emissions and those types of things. There was a proposal
16 that came with the proposal for the contract -- I mean the
17 investigation contract. There was a testing component
18 that we did not allow at the time that we entered into the
19 contract. But that will be something we might be able to
20 spend some of the money on. I just wanted to give you
21 that update.

22 DEPUTY DIRECTOR LEE: Madam Chair, we're prepared
23 to move onto the market development portion. I'll ask
24 Sally to give a brief introduction.

25 --o0o--

1 MS. FRENCH: Actually, we're going to have Frank
2 do this one.

3 WASTE TIRE DIVERSION SUPERVISOR SIMPSON: Madam
4 Chair, Frank Simpson with the Waste Tire Diversion Program
5 again.

6 If we can go to market development and new
7 technology activities, that would be Table 9, page 41 in
8 the Five-Year Plan.

9 Staffing is funded at \$524,000 for five positions
10 in 05-06 and 753,000 for six and one-quarter staff
11 positions in FY 06-07. As we mentioned before, the
12 one-and-a-quarter additional positions will be shifted
13 from the Research Section to the Market Development unit.

14 The Tire Recycling Conference has funding in
15 05-06 at \$100,000 and increases in 07-08 to 125,000. The
16 Tire Conferences are held every 18 months, and they
17 alternate between Northern and Southern California.
18 They're about two to three days in length.

19 The Tire Care Survey is funded at \$250,000 for
20 06-07. This is a follow-up survey to the Chico State
21 study that will measure the effectiveness of a media
22 campaign described in the next section.

23 And that media campaign outreach marketing effort
24 is funded at 250,000 per fiscal year. Last year a portion
25 of the funding was used for the Keep California Rolling

1 campaign.

2 Civil Engineering is funded at \$1 million per
3 fiscal year. Civil engineering is currently listed in the
4 research section and will shift in FY 04-05 to create
5 partnerships with state and local governments through
6 contracts or grants geared toward the use of tire shreds
7 or bails in civil engineering projects.

8 The Playground Cover Grants for local government
9 is funded at \$800,000 per fiscal year.

10 Track and Other Recreational Surfacing Grants for
11 local government is funded at 800,000 in 05-06 and 1
12 million in 06-07.

13 Product Commercialization Grants for businesses
14 are funded at 1.5 million in 05-06 and 06-07, and then 1.1
15 million in 07-08.

16 Sustainable Building Grants and contracts for the
17 purchase of green building products containing rubber are
18 funded at \$400,000.

19 And the Rubberized Asphalt Concrete Technology
20 Centers, there are two, for technology transfer are funded
21 at \$600,000 per fiscal year.

22 The Recycled Market Development Zone Loans for
23 direct loan assistance for waste tire related businesses
24 are funded at \$2 million per year.

25 State Agency Purchases and Development is funded

1 at 400,000 per year. We are currently working with the
2 Department of -- Caltrans and the Parks and Recreation.

3 The Recycled Product Trade Show is at \$75,000 per
4 year. This year's conference is scheduled for April 2005
5 and would be held here in Ontario.

6 The California Materials Exchange, or CalMAX, and
7 the Waste Reduction Awards Program, WRAP, is funded at
8 33,000 per year.

9 The Tire Database is funded at zero. The
10 development of that database is still in progress.

11 The Buy Recycled Certification Audits are funded
12 at 50,000 per year.

13 Fiber and Steel has funding in FY 2005-06 for
14 400,000. Now, the activity would also be shifted from the
15 Research element to Market Development under tires for
16 either a contract or grant to process the fiber and steel
17 reclaimed from recycled tires.

18 Product Stewardship is funded at zero.

19 And the Kuehl RAC Grant Program is funded at 1.2
20 million in 04-05 and 1.429 in 05-06. Now SB 1346
21 authorizes the Board to implement a program until June 30
22 of 2006 to award grants to cities, counties, districts,
23 and other local governmental agencies for the funding of
24 Public Works projects that use rubberized asphalt
25 concrete. The funds allocated shall be least at 16

1 percent of the funds budgeted for market development and
2 new technology activities for used tires and waste tires.

3 And we are ready for comments on market
4 development and new technology.

5 MS. FRENCH: Our first speaker is Reza Izadi, and
6 he's with L.A. County Department of Public Works. And he
7 also presented a letter that is dated October 26th to
8 Cheryl Peace. I guess it's in the mail and was sent to
9 all the Board members. We only received one copy, but I
10 will try to post this on our website so others can view.

11 MR. IZADI: Madam Chair, Madam Chair, Board
12 members, my name is Reza Izadi. I represent, as
13 indicated, the Los Angeles County Department of Public
14 Works and also the Southern California Rubberized Asphalt
15 Technology Center .

16 Why my letter September 23rd? We submitted draft
17 proposal of projects that we felt will help and would be
18 very effective in reducing the usage of recycled tires.
19 However, since then, after talking and listening to some
20 of your advisors and staff and also with the stakeholders,
21 we have modified them. And we proposed them, submitted
22 today, which has been described in my letter of October
23 26th, which has been forwarded to each Board member and
24 their advisor and also to staff.

25 What we did was that initially we had the

1 majority of projects were included as part of research and
2 development. However, we have shifted them to marketing
3 and actual doing the projects.

4 Just to brief you a little bit that, as you may
5 know, that the County of Los Angeles faces a major problem
6 as far as managing the solid waste management,
7 particularly the used tires. We produce approximately 30
8 million tires per year. And one of the missions, the
9 goals that we have is to reduce the number of tires which
10 are going to our landfills. We believe this is the same
11 goal that the Board has. As representing the Department
12 of Public Works, we would like to be as a partner with the
13 Board to challenge this mission and achieve the goal. And
14 also as Director of the Technology Center , I represent
15 you in the southern region. And I would like to see that,
16 as your agent, I will be able to be more effective in
17 handling this problem.

18 I'd just like to speak -- indicate a little bit
19 why Los Angeles County would be the ideal agency to be a
20 partner with the Department. I'm just going to read it
21 off from my letter that I've prepared to you.

22 Primarily, it is the indicator that the County of
23 Los Angeles Department of Public Works has the unique
24 qualifications that makes us an ideal candidate for this
25 partnership. Public Works is responsible for construction

1 and maintenance of over 3,000 miles of arterial streets
2 and major highways in the county unincorporated area and
3 over 40 contract cities within the county; five airports,
4 5,000 miles of local public services, 2500 miles of storm
5 drains and open channels. In addition, Public Works
6 serves as building official for the county unincorporated
7 areas, including 25 contract cities within the county.

8 We develop scope of work and administer contracts
9 and grants for hundreds of projects per year ranging in
10 complexity from street sweeping to multi-million-dollar
11 retrofit. As a county agency, we have developed very
12 close working relationship with hundreds of cities and
13 other counties within southern region. From this unique
14 position, we can manage the administration of the Board's
15 resources in a responsive, efficient, and cost-effective
16 manner while providing the Board with the means necessary
17 to meet their waste reduction targets.

18 The projects that we are proposing primarily is
19 that we would like to do with the County of Los Angeles.
20 These are practical projects. We understand there has
21 been a lot of research and development done in various
22 states, various counties. However, what we would like to
23 do is that -- I notice that the previous speakers were
24 discussing and some of the Board members were discussing.
25 I need to convince my family members in the county to

1 believe that rubberized asphalt is a great product. As
2 the county -- we have County of Los Angeles, we have 3200
3 miles of roads. However, we have only less than 10
4 percent since '92 we have paved in rubberized asphalt.

5 Now, what I was asking the people why we are not
6 doing. There are a few items that concern them. One is
7 the initial cost. The other thing as far as whether they
8 could recycle this material. Although there has been a
9 study as indicated 25 years ago, this was recycled.
10 However, I need to have something in my backyard to look
11 at it on a daily basis, evaluate it, bring my colleagues
12 to look at it, see whether they can believe it in.

13 The other thing we get a lot -- of the areas that
14 we have rubberized asphalt, utility companies come and
15 they would like to put a trench, put a new -- repair their
16 lines or use standardized asphalt on it. We have
17 experienced some problems. I don't know specifically what
18 it is. That's one of the other concerns that we have.
19 And I'm sure other agencies have the same -- they share
20 the same issues that we have.

21 The projects that I have proposed, they all
22 included, as far as we have a project, do the repair of
23 the rubberized asphalt. I would like to see that we do
24 evaluate the various -- the recycling methodology which is
25 available and has been discussed. We do it within our

1 county. And once I learn that -- we learn the technology,
2 I would like to share that technology with our other
3 counties, with our other agencies within the southern
4 region or with the whole California.

5 As far as the civil engineering applications, one
6 other thing that we are proposing, we have a lot of
7 landslides around Southern California. Whenever we have
8 the rains, like we had storm the last storm and today's
9 storm, we're going to be facing some landslides. There
10 are a few landslides in the Malibu area.

11 One or two projects that I'm proposing is to use
12 crumb rubber in repairing the slopes. And the reason
13 we're doing that, some of the problems or some of the
14 causes of the failure was due to weight of the material.
15 However, utilizing crumb rubber, it reduces the weight, in
16 other words, probably by 32 percent. My understanding is
17 that the materials probably cost somewhere around 150
18 pounds -- that's concrete. But the soil's probably around
19 150 pounds per cubic feet. Using rubberized asphalt, that
20 reduces somewhere to 90 to 100 pounds. But it's
21 different. But what it is, the idea that we have a lot of
22 that and we would like to use it in the county. And,
23 again, by doing that, by learning the technology, we can
24 share this with other regions.

25 The other one is we would like to use the

1 rubberized -- I'm sorry -- the crumb rubber in sidewalks
2 and curb and gutter. We are proposing a segment of the
3 street that will be reused and evaluated. Again, this
4 will be something -- once we do this, once we believe in
5 it, the cities within the L.A. counties -- there are 100
6 of them -- they will follow suit.

7 One other project that I'm proposing is doing a
8 project with City of L.A. City of L.A. has about 7,000
9 miles of roads. And they do not believe in using
10 rubberized asphalt. They have used it in 1980s, and I
11 believe they recycled. They are not happy and do not want
12 to use this. And they were reluctant to join me proposing
13 this project. I had a meeting with their director of
14 testing to persuade him to just agree with me that we will
15 submit the proposal to the Board that we jointly can build
16 a segment of the road using rubberized asphalt, and they
17 could test it, evaluate it themselves with the county, and
18 believe in it.

19 My feeling is that that's a great market, as I've
20 indicated to some of you or some of your staff. If we use
21 only 50 percent of the roads and considering only --
22 assuming that they're four lanes, we're talking about
23 utilizing 30 million tires just to do 50 percent of the
24 city of Los Angeles roads. That's one of the projects I'm
25 hoping that you will propose it.

1 I have other projects that includes, for example,
2 San Gabriel River. We have a lot of -- there are projects
3 that are being developed as far as the bike path or
4 pedestrian path. We would like to use the crumb rubber
5 with the concrete in order to build these things.

6 The other project we're proposing is to -- again,
7 this will be done with the nonprofit organizations, such
8 as Friends of River or Conservation Group, who are
9 interested in doing this with us. We have been developing
10 this project for years with them, so we would like to be
11 partner with them also. The other projects I'm proposing
12 again is utilizing the shredded tires in the ground
13 covers. Again, we're proposing to use that in one of our
14 areas.

15 We also have couple other projects that we would
16 like to use for schools for the playgrounds. And we
17 believe also that is going to be very effective to utilize
18 it. Again, what I'm looking for as a -- not to see where
19 I can use the maximum, but I would like to explore all the
20 possibilities wherever we can, wherever it would be
21 applicable.

22 Again, this is my first time I'm addressing you
23 and the first time I have submitted these projects. But I
24 promise you this is just the initial. And as I meet with
25 other agencies and we meet other public agencies or local

1 agencies, they are going to identify some issues that
2 prevent them from doing the job, using rubberized asphalt,
3 and I will come back to the Board with the projects
4 recommending that we should do this. And I do not want
5 the County of Los Angeles to perform those. I would like
6 to encourage the local agencies to do the same thing as we
7 do in the county. I believe each county, the Public
8 Works, they be the model for their own cities, they would
9 be able to promote the idea of utilizing rubberized
10 asphalt and integrate within their own county.
11 Eventually, over a period of year, the whole California
12 will be using rubberized asphalt.

13 I guess I conclude my speech. Thank you very
14 much for this opportunity.

15 CHAIRPERSON PEACE: Thank you.

16 COMMITTEE MEMBER WASHINGTON: Madam Chair, let me
17 say thank you so much. It's so delightful to hear a local
18 government who's willing to step forward and really help
19 out with the number of programs that we have. Since I've
20 been a Board member, I hadn't heard such a comprehensive
21 plan from a local government. And to see that you guys
22 are really looking forward to going forward, it's
23 delightful to hear. And I'm certainly hoping that we can
24 help work with you guys on, if not all, some of these --
25 if not some, but all of these items to help you get there

1 in the county of L.A. Thank you so much.

2 MR. IZADI: Thank you so much.

3 CHAIRPERSON PEACE: You've revised this since the
4 first time you've given me your plan, and I like this one
5 a lot better.

6 MR. IZADI: Definitely this is much better. It's
7 more practical. As I indicated to you, Jeanette and I, we
8 are both brand-new, and this was our first product.

9 CHAIRPERSON PEACE: This was definitely --

10 MR. IZADI: As we go along, we improve it.

11 CHAIRPERSON PEACE: This is definitely heading in
12 the right direction.

13 COMMITTEE MEMBER WASHINGTON: And another thing,
14 Madam Chair, that is critical is that he's not just a
15 staff person. He's the Assistant Director, which is the
16 second man in command after the Director. So it's really
17 exciting for me to see that high level of support is there
18 with these programs.

19 MR. IZADI: Mr. Washington, thank you very much
20 for your complementary promoting me. I'm not that high.
21 I'm a little bit below that. I'm in charge of the
22 geotechnical and material division, which also have a
23 state of the art material testing lab.

24 COMMITTEE MEMBER PAPARIAN: Madam Chair, one of
25 the -- I want to go back to just one of the little things

1 you mentioned, rubberized sidewalks.

2 MR. IZADI: Yes.

3 COMMITTEE MEMBER PAPARIAN: One of our most
4 successful grant recipients manufacturers that product,
5 and I'm sure -- she's here. She'd be happy, I'm sure, to
6 tell you where in Los Angeles -- or in Los Angeles you can
7 go and experience the product and see it. I mean, what
8 you were describing has actually already been done. It's
9 on the ground. It's a very practical product and --

10 MR. IZADI: No. I understand that. I'm not
11 saying all of -- whatever I'm proposing, they have been
12 done. I'm not saying they haven't been done.

13 CHAIRPERSON PEACE: He wants to use the RAC Tech
14 Centers --

15 MR. IZADI: I need to get to my people -- when I
16 say my family, I'm getting people in the county to -- for
17 example, our maintenance folks. My understanding is city
18 of Santa Monica uses that. But I want my people to know
19 we put this in. We maintain it over a period of time.
20 See what we get out of it. I mean, I'm not talking about
21 that much. But I will be very happy to --

22 COMMITTEE MEMBER PAPARIAN: I think doing some
23 research on putting it down and doing some research on it.
24 I think what I'm suggesting is it's already done. It's
25 been there for a few years. And you could probably short

1 circuit that process by going and looking at it and
2 experimenting with what's already on the ground.

3 MR. IZADI: But I'm still building -- this is
4 enhancing the quantity. I understand what you're saying,
5 but I still would like to see that I can sell it to our
6 people. This year may do 1,000 feet, maybe next year do
7 10,000 feet.

8 CHAIRPERSON PEACE: I think what Reza and
9 Jeanette and his group are proposing to do from the
10 Southern California RAC Tech Center is to broaden what
11 they do. Just not be out there promoting RAC, but
12 promoting civil engineering uses and promoting the
13 rubberized sidewalks and doing promotion for all of those.

14 MR. IZADI: In all of these proposals I make,
15 there's going to be some redoing of the available research
16 results of all this research and development that we have.
17 We will look at all of that.

18 And the other thing I need to point out, that the
19 County of Los Angeles, we have a Technical Committee that
20 these are pretty much the resources within the county,
21 within the Public Works that we have that represent from
22 the technical groups that, whatever we produce, they will
23 be reviewing it on behalf of the county. So we have the
24 experts for Ph.D.s to Masters where we can think, we have
25 them all in that package.

1 BOARD MEMBER MARIN: If I may, Madam Chair. One
2 of the things that in looking at this whole table here, it
3 seems to me that we can utilize the Centers. I mean, if
4 we could just get the Center to do L.A. County alone, we
5 get rid of all the tires, period, in the entire state of
6 California. But I certainly would like to use the Centers
7 for a much broader marketing capability to other cities.

8 I appreciate what he's attempting to do. But I'm
9 wondering whether the resources that he would have would
10 be sufficient or how can we pair that so we have one
11 conduit to provide more cities, more local governments the
12 opportunity to utilize funding so they can use RAC in
13 either their civil engineering projects. I really would
14 like the Centers to promote civil engineering. That --

15 CHAIRPERSON PEACE: That's exactly what we have
16 been talking about.

17 MR. IZADI: May I just add? As I indicated, I
18 wear two hats today. Where I was pointing out these
19 project on behalf of the County of Los Angeles, and we
20 would be using their resources to implement those
21 projects. I haven't talked about Center. The Center will
22 be on its own, and it will do exactly what you were
23 asking. The Center will continue promoting, would be
24 trying to find out the issues and barriers that is facing
25 other agencies. We will bring it in.

1 But what I was pointing out is it's not just two
2 of us will be working on these projects. There will be
3 other counties' resources will be handling this project.
4 We probably won't have anything to do with it. We'll move
5 out of there. But county will handle it. But, meanwhile,
6 we'll get involved and get the results of whatever has
7 happened, the results of our project, and we can share
8 that with the other local agencies throughout California.

9 BOARD MEMBER MARIN: Well, I really appreciate
10 that, Madam Chair. And if we can just be very focused.
11 If we can just -- civil engineering, as I understand it,
12 has the biggest potential to get rid of as many tires as
13 possible, I mean the largest amount.

14 CHAIRPERSON PEACE: Very cost effective way.

15 BOARD MEMBER MARIN: In a very cost effective
16 way. If we can just be very clear and we focus all of our
17 efforts in trying to do that, then I think we get the best
18 bang for our money. But we just need to be very
19 methodical and every opportunity, every Center , every
20 city, every program that we fund, you know, we try to
21 steer them in that direction. And I think we're going to
22 be very successful.

23 DEPUTY DIRECTOR LEE: Madam Chair, that's exactly
24 what we're going to be trying to do. As we mentioned
25 earlier, we're going to try to focus the plan and try to

1 concentrate on the big ticket items. We know we need to
2 do better market outreach. That was something that was
3 brought out in the third party evaluation of the RAC
4 Centers. We're going to be looking at the Southern
5 California proposal. I think, like I said, I mentioned
6 study it. But I'm gratified to see it does move more away
7 from research to more the actual marketing.

8 And I certainly, as Board Member Washington
9 mentioned, again, we certainly want to work with any local
10 jurisdictions that's enthusiastic about working with us.
11 That said, we want to make sure that they are the ones
12 that are the appropriate ones for reaching out beyond the
13 L.A. County area, because right now that's -- the Southern
14 California area, if not the city of L.A., is where we've
15 got the majority of existing use. We're trying to
16 encourage that use in some of the outlying areas as well.

17 CHAIRPERSON PEACE: Thank you very much.

18 One thing that you mentioned is the
19 recyclability. That still, I guess, is something that
20 needs to be tested a little more. Because it does add
21 into the bottom line. If it can't be recycled, it has to
22 be disposed in the landfill. And the bottom line cost has
23 to be figured in. So from what I understand, we had \$1.6
24 million or something, \$1.7 million going to Caltrans.

25 DEPUTY DIRECTOR LEE: Yes.

1 CHAIRPERSON PEACE: Are they doing recyclability?

2 Is that what they're doing?

3 DEPUTY DIRECTOR LEE: Let me ask Nate Gauff to
4 come up and respond to that.

5 CHAIRPERSON PEACE: From what I understand,
6 they've asked Reza and his group in Southern California to
7 actually do the project. But they didn't want to give
8 them any money to do it. So I'm trying to figure out what
9 Caltrans is doing.

10 DEPUTY DIRECTOR LEE: Nate, can you enlighten us,
11 please?

12 MR. GAUFF: Nate Gauff, Special Waste Division.

13 There is a recycling component in the Caltrans'
14 contract. The project hasn't been defined as of yet. We
15 have the concepts and the scope of work. What we're
16 waiting for from the Caltrans folks is a work plan as to
17 how they're going to execute each one of those scope of
18 work tasks. So we'll have to review what they're
19 proposing. And as of yet, we haven't heard any
20 partnerships between L.A. and Caltrans.

21 CHAIRPERSON PEACE: Sounds like there could be a
22 possible partnership.

23 MR. GAUFF: There possibly could be. It might
24 make sense to try to do a recycling project somewhere here
25 in Southern California.

1 So right now that's not defined. Yes, there have
2 been other studies that have been conducted. And there's
3 also the use. And the gentleman from the Northern
4 California Center has mentioned a number of times that in
5 the sense of recycling and not putting it back into new
6 pavement, but you can use and recycle the rubberized
7 asphalt, just like you can conventional asphalt and using
8 it in asphalt base, which also goes into the construction
9 of the roadway.

10 CHAIRPERSON PEACE: And another thing he
11 mentioned that still needs to be tested is the utility cut
12 patching. And I think I talked to you about that, and you
13 said you could maybe try to add that into the Caltrans
14 contract.

15 MR. GAUFF: I think that area is still pretty
16 wide open. I don't think anybody has looked at that
17 specifically. They obviously patch roadways no matter
18 what material it's made out of. There's probably some
19 opportunity to study it to look at optimizing the
20 interaction of the two materials and what things work best
21 for the roadway as a whole and, you know, obviously for
22 the citizenry, because you've got a good roadway there
23 where the two materials are meshed together.

24 CHAIRPERSON PEACE: So when will we know the
25 scope of work for the Caltrans contract?

1 MR. GAUFF: You know, I put that on my list to do
2 today just to give Caltrans a call when I get back to the
3 office and find out where they're at with that work plan,
4 because it has been a while since we talked with them.
5 We've had the other project that we were dealing with with
6 the comparative study. So now they've completed
7 construction of that and looking to move on to the next
8 efforts that they owe us.

9 One thing I just wanted --

10 CHAIRPERSON PEACE: Have we already given them
11 the money?

12 MR. GAUFF: No. No checks have been written.
13 The money has been allocated. It's, in a sense, sitting
14 in a contract right now pending work plan, pending
15 activities, you know, to spend that. We still have
16 approval right over before we give them any money.

17 I just wanted to clarify one thing, because I
18 know you guys were talking with Lindsay Smith's folks for
19 the rubber sidewalks. I haven't seen the new proposal.
20 But in the old proposal they were looking to use crumb
21 rubber in cement and a concrete product, not in a molded
22 rubber product, which is I believe what Lindsay
23 manufacturers. I just wanted to see, is that what you're
24 proposing?

25 MR. IZADI: That's correct.

1 MR. GAUFF: To use it in a cement?

2 MR. IZADI: One of the other things we're looking
3 for, as I indicated, is that we are running out of gravel.
4 A limited amount of gravel is available, sand material.
5 If you drive along 605, you see some of these gravel pits.
6 Some of them are mining over 200 feet deep. Eventually,
7 we go to a point it's not going become effective to do
8 that. So what I think by proposing this, instead of sand
9 or gravel, we can use crumb rubber. If it works over,
10 say, five, ten years from now, instead of going 50 miles
11 from here or 60 miles to bring the material in, we could
12 use the crumb rubber. So these are the things --

13 CHAIRPERSON PEACE: They're two different things,
14 but they're both using crumb rubber. One is more of an
15 overlay and one --

16 MR. GAUFF: I just wanted her to understand that
17 he's not necessarily talking about the product that she
18 makes.

19 MR. IZADI: This is actually going to be placing
20 fresh concrete in the sidewalk that will contain -- would
21 be like crumb rubber.

22 CHAIRPERSON PEACE: Thank you.

23 COMMITTEE MEMBER PAPARIAN: Just so I understand,
24 are you talking about an existing technology, or are you
25 talking about doing some research to determine the

1 effectiveness of this?

2 MR. IZADI: We are going to use the existing
3 technology where it is available, plus the research has
4 been done.

5 COMMITTEE MEMBER PAPARIAN: You're not going to
6 do any research associated with it? It's a matter of
7 practical just application of what we know to be
8 effective?

9 MR. IZADI: That was my initial proposal. After
10 talking with everybody, we changed it. We switched it to
11 practical stuff.

12 COMMITTEE MEMBER PAPARIAN: Okay. That's why I
13 was --

14 MR. IZADI: We're not doing research. We may
15 research the records available but just see what they've
16 done. That would be our extent. But we're going to do
17 actual work.

18 MS. FRENCH: Okay. Our next speaker is Terry
19 Leveille with TL and Associates.

20 MR. IZADI: Excuse me. Jeanette would like to
21 add something.

22 MS. BABAUTA: I just wanted to address one
23 question regarding utility trench cuts. We just wanted to
24 point out to the Board that utility trench cuts permits
25 are usually done at a local government level and not

1 exactly at Caltrans, because Caltrans maintains the
2 freeway and state highways. So trench cuts will usually
3 be done at a local level. And it's more important for us
4 to do the practical applications of that, so as a Center
5 we can go ahead and transfer that technology to local
6 agencies within Southern California and hopefully
7 statewide.

8 MS. FRENCH: Can you state your name for the
9 record, please?

10 MS. BABAUTA: My name is Jeanette Babauta from
11 the Southern Center.

12 CHAIRPERSON PEACE: Thank you, Jeanette.

13 MR. IZADI: Just add to that a little bit. What
14 we are planning on doing, once we develop the
15 methodologies, the most effective, we make that a standard
16 in county of Los Angeles for everybody to use it for
17 utility patches. Thank you very much.

18 MR. LEVEILLE: Thank you, Madam Chair. Terry
19 Leveille from TL and Associates once again up here on
20 behalf of the Tire Dealers Associations, north and south.

21 We had a couple of -- just a couple of smaller
22 issues with specific programs that we feel that are not
23 being fully -- or utilizing tire related programs. One of
24 those is the Recycled Product Trade Show, which the Tire
25 Fund covers about half of the new money for it. I know

1 there's always carryover money. But the Tire Fund carries
2 about half. Maybe six, seven, eight companies participate
3 out of, you know, 120.

4 We think -- I mean, it's a good program. Once
5 again, the IWMA is the one that should be funding this
6 program, not the Tire Fund. The money could be used in
7 better places in the Tire Programs.

8 Once again, CalMAX and WRAP Programs, I mean,
9 we're talking very small amounts of money here. But just
10 as a principle, these are programs that are really more
11 IWMA type programs that should not be funded by the Tire
12 Fund. They don't involve any tire recyclers, tire
13 dealers, and you know, they really shouldn't be on this
14 list.

15 On the other hand, representing Lakin Tire, I've
16 got a couple little things. I'm very pleased to hear
17 about the RAC Centers moving into civil engineering
18 application, because Lakin Tire is one of the few
19 companies to manufacture chips, twelve inch, six inch,
20 three inch, four inch, that are applicable for civil
21 engineering applications along highways and the like. And
22 I'll be very closely watching the proposals that the RAC
23 Centers are planning to do with civil engineering uses of
24 tire chips, because we think that's certainly a
25 significant amount of tires that can be diverted from

1 landfills. And it certainly would fit in very well with
2 the focus that they have been in the past just on the
3 crumb rubber. And so we'll be looking very closely at
4 that.

5 We also suggest that maybe a program -- a grant
6 program much like the Kuehl Program for local governments
7 to assist them with civil engineering projects would be
8 very helpful. This is a new technology that a lot of
9 local government Public Works people are not familiar
10 with. I'm hoping that the -- as the RAC Center, one of
11 their primary focus has been alerting Public Works people
12 to the benefits of asphalt rubber. Great. Let's include
13 it in every workshop that they do a section on civil
14 engineering uses, civil engineering chips in retaining
15 walls and using as an alternative for lightweight fill, as
16 aggregate, and the like.

17 I think that would be very good. And I'm very
18 pleased at seeing the Board is going to be considering an
19 item this next week in which they're looking at a contract
20 down -- or maybe it's not this next week. They're looking
21 at a contract down in Southern California where the Board
22 staff is looking at possibly trying to divvy it up into
23 two different parts so that they are encouraging the
24 development of companies that will make the civil
25 engineering chips. And that's a good direction to go. It

1 certainly can use a lot of tires. Thank you.

2 BOARD MEMBER MARIN: Madam Chair, one of the last
3 things -- and I did mention this at another Board meeting.
4 But one of the things that I will be looking for when we
5 grant all of these moneys one way or another is how are we
6 going to measure success? There's got to be a point when
7 we look at these grants and say -- or these loans or
8 whatever they may be, these programs, you know, this
9 particular money is going to get us this much either
10 marketing or tire reduction or landfill reduction or
11 diversion, but very specific. Because all the money in
12 the world can be given away, you know, and wishful
13 thinking and great ideas and wonderful dreams. But at the
14 end of the day we do not have a very clear way of
15 measuring success, then we really would not know that we
16 have been successful.

17 And I think if we're going to spend millions of
18 dollars allocating for this project or that, that at the
19 end of the day we say, yes, we spent millions of dollars,
20 but that's what we got. And that was a diversion of so
21 many millions of tires or a specific -- I really want to
22 see a very clear definition of results of successes. What
23 will be successful, or when will these projects be
24 successful. What are we going to get for our money?

25 So I do have one question. I've never attended

1 the Recycled Product Trade Show. I don't know how
2 successful that is or what constitutes success from a
3 \$75,000 expenditure -- or actually this would be 75,000
4 each year. So I don't know.

5 I am familiar with CalMAX, but it might be -- and
6 I don't know to what degree tires are specifically
7 promoted in that program. If it is not, then it might be
8 a good idea for us to move funding from another source. I
9 don't know which funding source. But I think that those
10 points are well raised.

11 And by the same token, I don't know whether even
12 the Tire Recycling Conference -- I understand it's done
13 every 18 months or so. What do we get for 100,000 or
14 \$125,000? How much more tire recycling takes place as a
15 result of that wonderful conference? I think if we
16 just -- Mr. Lee, if we're just very clear and focused as
17 to what it is we're attempting to achieve, I think we will
18 achieve it, but we need to keep on track.

19 DEPUTY DIRECTOR LEE: Thank you, Madam Chair. I
20 think you raise some excellent points and I think we're in
21 agreement with them.

22 You mentioned the issue of performance measures
23 and evaluation. Indeed, in the existing plan and in the
24 revision, there is an emphasis on the performance measures
25 and how we are measuring up literally. We are going to

1 have a stronger focus on evaluation. This is something
2 not only on the tire side but the Used Oil Program, all of
3 them, we're trying to put more emphasis with our grant
4 managers and with our grant holders that we need, again,
5 more demonstration of what the money is buying us.

6 You mentioned a couple of other areas that the
7 Tire Fund has supported in the past, the CalMAX Program,
8 the WRAP Program, Recycled Product Trade Show. Again, I
9 don't want to be speaking against myself on this, but
10 obviously there's some sensitivity here. I know the
11 Recycled Product Trade Show is very popular, has been very
12 popular in the past with the Board. Although, I think the
13 last time it came up for approval, the Board did suggest
14 or encourage that, again, more sponsor support be found
15 there.

16 So, again, with regards to funding by the Tire
17 Program and, again, by the Used Oil Program, you know,
18 certainly I can understand the position that Mr. Leveille
19 is espousing, you know. There are some sensitivities in
20 that area.

21 With regards to, I guess, our own conference, if
22 you will, the Tire Conference we put on usually on a
23 little over a 12- to 18-month basis. I know you haven't
24 had the opportunity to attend in the past. It's been well
25 received by the stakeholders. It's been supported, you

1 know, through presentations and by Board member presence,
2 you know, at the various venues and discussing various
3 issues. Staff feels it's, indeed, our best way for
4 working and interacting with our stakeholders, to network,
5 to get the message out with regards to areas of emphasis.
6 And it's something that, again, that staff would like, you
7 know, the Board to continue its support for.

8 CHAIRPERSON PEACE: Well, I'd like to hear from
9 some of the people that go to the Tire Recycling
10 Conference, what you people out there that have gone, what
11 do you think? Is that money well spent?

12 MR. SNYDER: Rick Snyder, U.S. Rubber.
13 We like the Tire Conference, because there's a
14 lot of good information exchanged. And it's not a yearly
15 deal, so you get a chance to explore some of the
16 alternatives that some of your competitors and some of
17 your cohorts in the industry have thought about.

18 The Recycled Product Trade Show has some issues
19 with it, though. And if you would talk to the
20 stakeholders, the principle issue is the show management
21 just hasn't been successful at getting qualified buyers
22 into the show. You know, as the owner of a company, you
23 don't want to go to a show just to stand there for two
24 days. You want to hopefully sell some product to recoup
25 what you paid to get to the show and stay at the hotel and

1 all that. So that's the problem with the Recycled Product
2 Show.

3 You know, maybe you could get some of the big
4 guys that go there, the big paper guys and all that to do
5 that. But the smaller companies, less than \$10 million,
6 just don't have that kind of budget to go out and
7 basically waste time for a couple days. So that's our
8 feeling on the two shows.

9 DEPUTY DIRECTOR LEE: Madam Chair, I'd also point
10 out, this year we're working -- the Tire Program will be
11 held concurrently with the Recycled Product Trade Show
12 this year. We're trying to take advantage of some
13 synergies and try to increase the visibility of the Tire
14 Program, you know, at the Recycled Product Trade Show. So
15 I want to make sure the Board was aware of that situation.

16 BOARD MEMBER MARIN: I did not know that. As a
17 matter of fact, I was going to suggest that. But that's
18 good. That's good that you're doing it jointly. That's
19 great.

20 MR. LEVEILLE: Let me just add something here.
21 The programs I spoke against, I think they're all really
22 good programs. And I think the Recycled Product Trade
23 Show is a really good program, but probably not for -- at
24 least thus far I've seen for tire recyclers. It's
25 probably really good for plastic, for paper, and the like.

1 It's directed at procurement officers from local
2 governments and state agencies and that type of thing.
3 And so tires play such a very small part in that regard
4 that that's my main argument was -- it's a great show. I
5 think that Jerry Hart does a really good job putting that
6 thing together. But as I say, for tire people, it
7 probably is like Rick says, it really doesn't bring a lot
8 of action.

9 On the other hand, the conference -- I would want
10 to add to Jim's comments. Not only does it bring
11 stakeholders together, but it also brings local government
12 people together. I think it's a very good informational
13 opportunity. And I'm not just talking Public Works
14 people, but local government officials, to alert them of
15 the possibilities of different types of tire recycling
16 technologies and the like. And I see this as a very
17 informative thing that goes a long way. It also provides
18 kind of a meeting ground every couple of years for
19 stakeholders to kind of get together and compare notes and
20 the like.

21 But particularly this last one a year or so ago,
22 I met a number of local officials that were very impressed
23 that really didn't know a lot about the types of things
24 they could do with tires in their own agencies. And these
25 are council members and the like that were going to be

1 bringing stuff back to their Public Works people just from
2 their own knowledge. And for that aspect, I thought it
3 was a pretty good use of funds.

4 CHAIRPERSON PEACE: Thank you.

5 MS. SMITH: Hi. Lindsay Smith, Rubber Sidewalks,
6 Inc.

7 About the Trade Show -- about the Recycled
8 Product Trade Show, I want to basically second what Rick
9 Snyder said about the potential being there. But the fact
10 that the audience who comes to that show, that there are
11 no purchasers, there are no real city officials who come,
12 and, in fact, there's not even really very much of a
13 population who comes, it ends up being more of a situation
14 where you get to meet your colleagues and find out other
15 recycled products that are on the market, which is
16 wonderful. But it absolutely does not exploit the
17 opportunity.

18 And Rick's saying that for small companies it's
19 an enormous expense. Takes two days and all the money to
20 do it. It is not a good trade show for us, for our
21 company. We did not go to the last one for that reason.
22 We had gone to the previous two.

23 And I keep thinking based on all these other
24 trade shows there are, I mean, you could go to a trade
25 show at least once a week in this business, that perhaps

1 there's an opportunity to combine a Recycled Product Trade
2 Show with something that has a higher commercial draw to
3 it so that people will come.

4 People are not inherently interested in coming to
5 a Recycled Product Trade Show unto itself. If something
6 could be added to that that would make it more
7 commercially viable, then I think more people would come.
8 And it would develop an energy of its own that is
9 definitely lacking at this time. Thank you.

10 CHAIRPERSON PEACE: That's a good idea.

11 MR. ALLEVATO: I'm Ron Allevato, Grubbe, LLC.

12 The last two -- the timing perhaps of the Trade
13 Show could be improved. The last two shows I wanted to
14 attend, but there was a concurrent show at Long Beach.
15 And it happened to fall exactly the same days as that
16 show. And two times in a row that's happened. And I
17 think I did point it out last time that I would have been
18 there, but it's the same time frame as another trade show.

19 I think there could be some improvements. I
20 endorse trade shows. We attend probably six, seven a
21 year. And they seem to always have some benefit to us.
22 Thank you.

23 BOARD MEMBER MARIN: Mr. Lee, one of the
24 questions I would have is if we -- what is it? If
25 Mohammed doesn't go to the mountain, then the mountain

1 goes to Mohammed. I'm wondering whether since local
2 officials are our main target for a number of different
3 programs -- I know that we do participate with the League
4 of Cities. I know they have a couple of conferences a
5 year. And certainly as a former council member and mayor
6 of the city, I used to go and attend all of those.

7 I'd like to propose two things. One, whether we,
8 as the Board, actually create a venue only for elected
9 officials where we would showcase any and all products and
10 projects and grants and what's available for elected
11 officials. You know, something really like "money coming
12 to you" or something like that. You know, people are --
13 council members, mayors are always looking for where can
14 they have some money that will benefit my city.

15 The other is we already know that all of these
16 mayors and council members attend some of the conferences
17 either at the local or regional or even state level from
18 the League of California Cities, from independent cities,
19 from contract cities, a whole bunch of different -- why
20 couldn't we participate? But more than just being part of
21 one -- you know, part of their exhibitors, have a full
22 workshop and invite some of those people that we can
23 showcase what they can do with money available from the
24 Integrated Waste Management Board. Have a bigger, you
25 know, much broader impact through the existing

1 organization activities -- through the organization's
2 activities. Maybe we can put some of those moneys that
3 are earmarked for those purposes, but have them directly
4 with the local elected officials. Food for thought.

5 DEPUTY DIRECTOR LEE: Madam Chair, I'd like to
6 take that back and kind of think it over and mull it over.
7 You know, we already involve the local jurisdictions in
8 our existing conferences. I hear you say -- like I say,
9 going to them, you know, working perhaps through the
10 conferences and the workshops that I guess are already
11 being held at various things.

12 I guess just kind of the initial thing that comes
13 off my mind is would our message be lost, though, in the
14 overall? Since there would be obviously other things that
15 will be discussed in those other -- at that type of forum,
16 would our message even be getting lost or diluted?

17 BOARD MEMBER MARIN: Money. Whenever we're
18 talking about money, the elected officials' ears really
19 peck up. If it's money available and we have a mechanism
20 and we have the RAC Centers and we have, you know,
21 opportunities to bring vendors -- I'm thinking of having
22 it much broader. But there's also money available to
23 them. They would be willing to listen, you know. I can
24 guarantee you, I'm thinking like a mayor. I'm thinking
25 like an elected official. If I can get some money and

1 someone is willing to train me and somebody is willing to
2 take me by the hand, I'm willing to listen.

3 DEPUTY DIRECTOR LEE: We'll take it under
4 consideration. We'll be prepared to speak on it the next
5 time we get together.

6 MS. FRENCH: Our next speaker is Donna Carlson
7 with the Rubber Pavement Association.

8 MS. CARLSON: Sounds like it's working.

9 We're distributing to you a letter from our
10 Association concerning the RAC Grant Program. What we are
11 proposing, and we strongly support this, is a continuation
12 and expansion of the Kuehl SB 1346 RAC Grant Program. Our
13 recommendation is that the program be expanded to increase
14 the per ton funding available to local agencies from \$2.50
15 per ton to \$5 per ton. The greater incentive would
16 encourage more participation and value to the first time
17 users.

18 The program funding should be increased to about
19 5 million a year. This increase would ensure at the
20 minimum 1 million tons of RAC and the beneficial use of
21 well over 2 million tires with the utilization of the
22 majority of the California specifications.

23 I'm throwing that in because I'm not sure how you
24 evaluate tires. Is it passenger tires only?

25 CHAIRPERSON PEACE: I think everything is counted

1 in PTEs.

2 DEPUTY DIRECTOR LEE: Passenger tire equivalents,
3 yes.

4 MS. CARLSON: Then my number is -- I made it kind
5 of lofty, because the Caltrans specification calls for
6 natural rubber or rubber that is derived from truck tires
7 which takes down the percentage of the rubber per ton, the
8 PTE per ton.

9 The benefits would also be greater than -- most
10 projects used in the grant programs have additional
11 tonnage beyond the funding limit of the existing program.
12 They're only funded for a certain amount of RAC. This RAC
13 program could be required also to serve as a valuable
14 project data gathering tool. Each jurisdiction applying
15 could be asked to list their RAC projects for the last
16 five years, however many years you choose. And the
17 additional funding available to the RAC grant program
18 would offset any clerical cost of assembling historical
19 project information, including the source of the crumb
20 rubber.

21 Since you all have copies of the letter, I won't
22 bore the audience with reading it in its entirety. But I
23 do want to touch upon the sheet that accompanies the
24 letter from our Association. This --

25 CHAIRPERSON PEACE: We didn't get that one,

1 Donna.

2 MS. CARLSON: Oh, you didn't get that one.

3 That's the most important one.

4 This is a list of things that the Rubber
5 Pavements Association has done in partnership with the
6 California Integrated Waste Management Board and the RAC
7 Tech Centers over the years in terms of market
8 development. As you can see, we have a list of cities
9 where we have held the workshops, such as the one we're
10 holding tomorrow in Redlands.

11 CHAIRPERSON PEACE: From up here, I can't see
12 even with my glasses on. It's so blurry, I can't see it.

13 MS. CARLSON: I gave sufficient to be
14 distributed, unless staff took them all.

15 The 13 workshops that we have conducted have been
16 funded by the RAC Tech Centers, and we work in cooperation
17 with them on putting these workshops together for cities.
18 We started in 1998 when there was only one RAC Tech Center
19 , and this year we're doing one for the north and one for
20 the south.

21 Additionally, we have provided workshops for
22 Caltrans since 1998, which we have totally funded. And
23 believe me, there were a number of Caltrans people. And
24 there are also many of them often involved in these local
25 government workshops who seem to be very starved for

1 information. I reviewed the evaluation forms for the
2 Redding workshop. And even though they have a usage
3 guideline that has been drafted and published by Caltrans,
4 only two of the Caltrans people there had ever heard of
5 it. So that's something you might keep in mind when
6 you're looking at the project they're working on now.

7 In addition, we have had three different
8 strategic planning sessions with members of the Board,
9 with Caltrans leadership, and our industry. And I've
10 listed them there. Our partnering has been very
11 successful with the Waste Management Board. It has not
12 been successful with Caltrans.

13 Also, in 1999, we sponsored two bus tours where
14 we took Caltrans people out and some Waste Management
15 Board personnel on a two-day trip in the northern part of
16 the state and then the southern part of the state, two
17 days each, and reviewed asphalt rubber projects that had
18 been done so they could see them for themselves and see
19 this is an eight-year-old project that's performing very
20 well. We funded that.

21 We also provided a tour of Arizona pavements,
22 which we have many, many pavements in Arizona that are
23 very old.

24 We provided a tour for Caltrans and Waste
25 Management Board personnel throughout the state of

1 Arizona, and that was done in cooperation with their
2 Department of Transportation.

3 The Waste Management Board and RPA cooperated on
4 a project review for Caltrans. I'm not sure whether it
5 was 1998 or 1999. The report went to Caltrans and has
6 never been seen since.

7 I hate to sound cynical, but I know that a lot of
8 money has been given, and the results have been very poor
9 in getting any information back that might be beneficial
10 to these cities and counties. Traditionally, a state DOT
11 assumes a leadership role in road building, and the cities
12 and counties look to them. And I find it kind of ironic
13 that we're now conducting workshops with the expertise
14 coming from the cities and the counties through their
15 programs that have been funded.

16 And I think the RAC Tech Centers are doing a
17 great job, a wonderful job, in fact, and are starting to
18 really get into stride. And I think you'll see a lot of
19 progress in the time to come.

20 So getting back to our recommendation, we feel
21 that that program was so valuable in attracting so many
22 cities last year that it should be continued. It should
23 be expanded. And I think that eventually once you get
24 more and more local jurisdictions doing projects with the
25 RAC, that the costs will not be the issue that it is

1 today.

2 So that is what I had to say. And if you have
3 any questions, I'll be happy to answer them.

4 CHAIRPERSON PEACE: It's my understanding that
5 Caltrans only lays about one-third of the road projects in
6 the state, and the locals are responsible for like
7 two-thirds.

8 MS. CARLSON: I'm not sure on your between the
9 jurisdictions over here. I believe the Caltrans miles
10 under their jurisdiction is about 15,000. I don't know
11 what the aggregate of the locals would be.

12 CHAIRPERSON PEACE: I don't know if anybody can
13 verify that. But from what I understand, Caltrans only
14 does about one-third of the road projects and the locals
15 do two-thirds.

16 DEPUTY DIRECTOR LEE: That sounds right, Madam
17 Chair. But I wouldn't swear to it.

18 CHAIRPERSON PEACE: So I think we do need to
19 concentrate with the RAC Tech Centers on getting the
20 locals. Forget Caltrans for right now, even though it
21 would be nice to have them on board. Because, like you
22 said, they kind of lead the state in their validity
23 factor. But I think we need to get down to the local
24 jurisdictions and start marketing to them and pushing it
25 with them and showing the benefits of RAC to the locals.

1 MS. CARLSON: We feel that a great job has been
2 done. And we feel that there have been results from these
3 workshops and other efforts through RAC Tech Centers and
4 efforts that our industry has put forth. And we feel that
5 the expansion and perhaps the increase in the per-ton cost
6 to the local jurisdictions might be a little more tempting
7 to them. So we would hope that could be some type of a
8 short-term or timed program so you could actually measure
9 the success. So that is our recommendation.

10 CHAIRPERSON PEACE: I think we would have to look
11 at that. Because last year when it was 250 a ton, we had
12 oversubscribed. We had more people want the grants. If
13 we keep it at 250, there's more money to spread around.
14 So I think we'll have to see how it goes this year, how
15 the RAC goes this year. We trying to push it more. We're
16 trying to get to the local officials, sending out things
17 to them. We're trying to get, you know, fact sheets, the
18 benefit sheets, and stuff going out to the Public Works
19 Departments, instead of just a notice for the NOFA. So I
20 think it would be real interesting to see this year what
21 kind of response we get for the RAC Grant Program.

22 MS. CARLSON: I think if it was \$5 a ton, I think
23 you would probably get way more applications than you did
24 at 250.

25 But one of the recommendations we have mentioned

1 before is a simplification of that application process.
2 We were concerned last year because of the time frame
3 involved and the requirement that they had to go before
4 their city council and get a resolution passed by the
5 city. And the time frame in many cases -- I know of some
6 jurisdictions that just couldn't make it happen to get
7 their applications in on time. So I think if you can make
8 that as simple as possible for them to get their
9 applications in, it would be very great. And we'd be
10 happy to work with you or the staff on trying to simplify
11 that process.

12 CHAIRPERSON PEACE: Were we able to give them
13 more time this year when we sent out the NOFAs? They are
14 getting more time this year.

15 DEPUTY DIRECTOR LEE: I'll ask Nate to respond to
16 that.

17 But the issue about the resolutions, the
18 requirement for the resolution is something that's
19 standard on all of our grant programs. And not only in
20 the Tire Program, but it's to ensure basically the local
21 political leaders are, indeed, authorizing their Public
22 Works Department or whoever to be applying for the grant.
23 So our Legal Office in the past has been very adamant
24 about that needing to be a requirement of our grant
25 programs. So with regards to the timing, I'll ask Nate to

1 tell you how the existing NOFA application process is
2 going for this year.

3 MR. GAUFF: I'm Nate Gauff.

4 Last year was a little compressed time frame.
5 One, because of the whole process of laying out a
6 brand-new program and then the need for having to
7 distribute the money before the end of the fiscal year.
8 And also having the Board hear the award item and those
9 things and enter into agreements. So the time frame was
10 much compressed last year.

11 This year we were giving grantees closer to
12 twelve weeks, actually might be longer in some cases. But
13 they're going to have twelve weeks to respond with grant
14 applications. The application, once again, is only one
15 page, fill in the blank. The most time-consuming
16 requirement might be getting the resolution.

17 You know, we also have the requirement that they
18 submit a recycled content purchasing policy, which we give
19 them a sample in the application packet. But I don't
20 think we can simplify the application any further unless
21 the Board waived the requirement or the necessity of them
22 having the resolution. Yes. That would simplify and make
23 it a lot easier. However, we could run into some other
24 problems down the road.

25 CHAIRPERSON PEACE: I got a copy of the grant

1 application. I looked through it. And I thought it was
2 reasonable. I didn't think it was too overly burdensome.

3 COMMITTEE MEMBER PAPARIAN: Madam Chair, going
4 back a couple years ago, the initial -- the existing
5 Five-Year Plan, initially there wasn't going to be any
6 money, I think, for the 03-04. And the staff wasn't quite
7 sure they could ramp up. And working with the staff --
8 and the staff agreed they could figure out a way to ramp
9 up more quickly than was originally anticipated. I think
10 they did a good job in doing that in response to what we
11 perceived was a big demand out there. The first year I
12 know it was truncated, but it wasn't any fault of the
13 staff. I think it was because staff was really trying to
14 get out there and get this new program out there on the
15 street fast.

16 CHAIRPERSON PEACE: I don't think we were
17 originally going to fund it. And then we decided to fund
18 it, and that put a real crutch on the staff. So this year
19 there should be a lot more time.

20 MS. CARLSON: If I could regress briefly to an
21 issue that occupied a little bit of time a while ago, and
22 that's recycling. Yes, I'm aware that Caltrans is
23 studying the recycling issue. Most likely what you're
24 going to get is a report that chronicles recycling done in
25 other jurisdictions because Caltrans is not a recycling

1 agency.

2 It is an important issue for local governments,
3 and it has been done in other parts of the country very,
4 very successfully. It is not done as frequently as
5 conventional asphalt, because you're dealing with thinner
6 applications. But it is possible. It would be a good
7 pilot program, high profile, as long as it is widely
8 publicized after its completion to all the agencies. But
9 in terms of getting something back from Caltrans, you're
10 probably not going to get anything more than what they
11 took out of my library to answer those questions. Thank
12 you.

13 CHAIRPERSON PEACE: So if that money is set aside
14 for Caltrans to do this test, I mean, can we change our
15 minds? Could we have the locals do it instead? Or is
16 that something we've already earmarked that money for
17 Caltrans and it has to go there?

18 MR. GAUFF: I'll attempt to answer that. The
19 money in the Caltrans contract, 1.1 million, was
20 encumbered out of 03-04 funds, and there's 600,000 that
21 was encumbered out of 04-05. Okay.

22 Now, obviously, we're still in 04-05. So, the
23 Board, I believe, could act and disencumber those funds
24 and apply them elsewhere, because it's still current
25 fiscal year money. I don't think you can mess with the

1 03-04 funding. I guess the answer is yes. You take that
2 money, pull it out.

3 CHAIRPERSON PEACE: What did we get for a million
4 dollars that they had for 03-04?

5 MR. GAUFF: To date, nothing. But that's
6 contingent upon the work plan and them doing testing based
7 on an approved work plan.

8 CHAIRPERSON PEACE: They're doing testing of
9 what?

10 MR. GAUFF: A number of things. Mainly what
11 they're looking to do is to revise their field and
12 laboratory test methods and specifications to bring them
13 up to date, and once again also develop standard
14 specifications for use, which seems to be the big issue.
15 I know the local governments, especially down here in
16 Southern California, they use the Green Book
17 specification, which was developed, I believe, by the
18 local governments, you know. And Caltrans does have
19 standard specifications for use for not only asphalt,
20 cement, concrete, you know, guardrails, everything.
21 They've got a specification book that's probably two
22 inches thick. However, to my knowledge, they don't have
23 standard specifications for the use of asphalt rubber or
24 any type --

25 CHAIRPERSON PEACE: They don't use the ASTM

1 standards?

2 MR. GAUFF: Not as a standard spec.

3 And so what they told us and what they needed to
4 do was to do additional testing to take their
5 specifications up to that standard specification level
6 that would go in their standard specification booklet,
7 that not only they would use, all their district folks
8 would use, but also local governments who do rely on
9 Caltrans specifications could also take that specification
10 book and start to use that material. So that was one
11 issue, was I guess evaluating materials and processes to
12 the point where they can issue a standard specification.

13 The other part of what they proposed in the scope
14 of work was to look at, like I said, their laboratory
15 material testing, methodologies, and processes to revise
16 those as necessary to incorporate the use of rubberized
17 materials.

18 Once again, we did agree on some form of a
19 recycling investigation within the scope of work. And the
20 last part of that scope of the contract was to look at
21 having them go out and train their district people
22 statewide on these new specifications, new laboratory and
23 field methodologies, and bring them up to speed on the
24 recycling technologies. So that's basically the scope
25 items in the contract.

1 CHAIRPERSON PEACE: We haven't -- we could take
2 back that 600,000 if we decided to?

3 MR. GAUFF: Certainly. I believe so.

4 DEPUTY DIRECTOR LEE: I think there are some -- I
5 know the Board basically directed staff to enter into a
6 two-year agreement with Caltrans including the 04-05
7 money. Again, off the top of my head, I think there
8 probably are some reasons, given the 04-05 hasn't been
9 encumbered yet -- it's in a contract. So I think the
10 standard contract language says you have to give Caltrans
11 or the contractor 30 days' notice. And we have to provide
12 cause. So I think there's some contract stipulations we
13 need to look into.

14 But, certainly, I think we understand you to
15 mean, Madam Chair, we certainly want to make sure we're
16 getting good bang for our buck on the money we've got on
17 the street with Caltrans. And that's certainly what staff
18 is going to endeavor to do here.

19 CHAIRPERSON PEACE: I have a meeting with
20 Caltrans -- actually, on November 3rd with Caltrans, and
21 maybe this is something we should bring up at that
22 meeting.

23 DEPUTY DIRECTOR LEE: I think that would be an
24 excellent idea.

25 BOARD MEMBER MARIN: I have a couple of questions

1 regarding the RAC grants. I know there is only money
2 allocated through 2005 and '06. I don't know why 2006 and
3 '07 and 07-08 is not here.

4 DEPUTY DIRECTOR LEE: The money that shows in the
5 Five-Year Plan now was pursuant to the Kuehl Bill
6 provisions which only required funding for the fiscal
7 years that you see. But I think as I alluded to back in
8 my opening remarks, we see -- again, trying to refocus the
9 plan on some bigger ticket items, including RAC, and if
10 not in the Kuehl Bill, per se, certainly we want to
11 provide more support for RAC initiatives.

12 BOARD MEMBER MARIN: I thought that's what I
13 heard. But I wanted to make sure I understood that very,
14 very well. Because in addition to that, I would like to
15 see -- I know that there are a couple of programs that are
16 very popular with specific groups, like the Playground
17 Cover Grants and the Track and other Recreational
18 Surfaces. However, if we are going to get more money from
19 civil engineering uses, it seems to me that however
20 popular the other two projects are -- but if we can
21 fulfill our mandate by doing more civil engineering uses
22 and RAC Grants, that maybe that is something that we
23 really need to take a very hard look at. I remember where
24 some of the Playground Cover Grants we were disposing 100
25 tires for \$100,000 or something like that.

1 DEPUTY DIRECTOR LEE: It was \$100 per tire in
2 some situations.

3 BOARD MEMBER MARIN: Exactly. That was probably
4 not the best use of our money. And if we could get -- if
5 we have a process in which we now have a demand for civil
6 engineering uses and RAC and we're going to be able to get
7 a lot more, really, that's where we need to put our
8 emphasis in. As popular as these other programs may be,
9 at the end of the day, we're responsible to a higher
10 mandate. So I think we really need to take a hard look.
11 And I know this will most likely go to the entire Board
12 anyways. But I think sometimes we need to make the best
13 decisions given our mandate. And I think we need to
14 really have a soul search on this.

15 Madam Chair, I don't know whether you agree with
16 that.

17 CHAIRPERSON PEACE: I agree. I think staff knows
18 that's where I'm coming from, too. If we had the money to
19 put a rubberized track and field at every high school, I'd
20 be the first one to say let's do it. I think those things
21 are great.

22 But we don't have the money to do that. And if
23 our job is to get rid of the most tires in the most cost
24 efficient way, putting them in a Track Grant isn't it.

25 Is there anybody out there that would like to

1 speak on that issue?

2 MS. SMITH: Lindsay Smith, Recycled Rubber
3 Sidewalks, Inc. Thank you, Madam Chair and Board members.

4 I have a lot of questions about the prevalence of
5 the grants to playground cover and athletic recreational
6 use for a couple of reasons. Conventional pour-in-place
7 is actually about 80 percent recycled tire rubber. In
8 some cases, it's less than 80 percent recycled tire
9 rubber, because it is at least 18 to 22 percent
10 polyurethane resin. The top coating of a pour-in-place
11 track is virgin rubber. It's EPDM.

12 So the grants are traditionally being given to a
13 product that, in fact, at its best only uses 78 to 80
14 percent of recycled tire rubber. And, yet, these are the
15 grants that continue to be doled out. My feeling about
16 the support that the program is giving to new products,
17 and that's the mandate to new molded and otherwise
18 recycled tire products, why isn't the grant open to
19 institutions, schools, whoever, who wants to put in any
20 recycled tire product?

21 Rubber sidewalks, my own product, uses one
22 passenger tire per square foot. It's an extremely high
23 rate of recycled tire per square foot of product, and, in
24 fact, the highest of any product that's on the market.
25 And, yet, we can't qualify -- our customers don't qualify

1 for any grants provided by the California Integrated Waste
2 Management Board, because it doesn't happen to be a
3 playground and doesn't happen to be athletic. If we put
4 it in a park and make it athletic, then we can apply or
5 the school or the county or the city can apply for a grant
6 and perhaps use our product, where some of the highest
7 volume of rubber would be used.

8 So I think that this is an area that really
9 deserves a great deal of investigation as to why
10 doesn't -- any product that is supported by the grant
11 program, the Tire Commercialization Grant Program, why
12 isn't any of -- why don't all of those products qualify to
13 be in an umbrella grant program. If the city wants to buy
14 500 pieces of ECO-Block, which is another product, a
15 grantee awardee, also high-density product that uses a lot
16 of tire rubber, they want to buy a warehouse of those,
17 they should be able to qualify for a grant as well.
18 Should be all under an umbrella.

19 To my way of thinking, we have more products --
20 in 2004, we have more products than we had when these
21 grant programs were established. And playground paving
22 became a common thing and a popular thing. We have not
23 outgrown that old-fashioned situation. We now have a lot
24 of other products that are made out of recycled tire
25 rubber that ought to be included in that grant program.

1 Thank you.

2 MS. DIAZ: Hi. My name is Imelda Diaz, and I'm a
3 technical advisor for the Southern RACTC.

4 And my experience with the grant in the first
5 grant program where it was a maximum of 12,500, it was
6 very ineffective. A lot of cities didn't want to go
7 through the application process and spend the time to
8 apply for that small amount of money. And, fortunately,
9 you have increased that. But I feel they're still
10 hesitant to take advantage of that grant program. And a
11 lot of that, I think, is because they're afraid to take
12 the risk if that project was to fail. A lot of cities
13 have very tight budgets, and they don't want -- the grant
14 program that you have set up covers the materials cost,
15 but there's other costs that are accrued in the
16 construction of the project that the grant doesn't cover.
17 So they're sticking their neck out for this project -- for
18 this product that they really don't have experience with.

19 So I think -- in fact, the way to distribute the
20 money and increase the use is similar to what the County
21 is proposing with the City of Los Angeles. The County of
22 Los Angeles has been using rubberized asphalt since 1992,
23 and we use it for 75 percent of our arterials, and we have
24 experience with it.

25 I designed the structural section of a pavement

1 and I know the technical aspects of it, and I support its
2 benefits as a road surface material. If you're not doing
3 it, I don't know why. And I think the only barriers to
4 that is the education.

5 And if we have some kind of like shadow program,
6 if you take the cities by the hand and actually go through
7 the process of constructing the project, then they'll feel
8 more comfortable, more confident, and maybe look into
9 using it in future projects. But if you're just giving
10 them the money, you're kind of like -- it can also become
11 dependant on that. They'll only use it if they get the
12 money. But if they see the benefits of it when they
13 actually apply it and see it through the course of its
14 life, then, you know, you're actually training them to use
15 it as a routine product, just like the county.

16 No one wanted to stick their head out in 1992
17 when it first started. And we did. And we're reaping the
18 benefits of it now. We know its performance. We're
19 satisfied with it. It's very durable. And we have
20 pavements that are 13 years old, and they look great,
21 except for the trench.

22 And that's another thing. There's not that much
23 practical trench repairs on rubberized asphalt.

24 And the issue of recyclability, the county is
25 going to experience that later on because we have

1 reaped -- since we paved it in 1992, it's achieving its
2 design life of ten years. So their recyclability aspect
3 of it is going to be a concern to us. So, you know, we
4 can be like the leader. We're the leading agency in terms
5 of public agencies using rubberized asphalt. So I think
6 we have the qualifications to help local agencies and
7 cities in constructing rubberized asphalt.

8 COMMITTEE MEMBER PAPARIAN: Madam Chair -- it's
9 not for this witness. Maybe I just want to clarify
10 something, because I've heard Jim mention about refocusing
11 the program. And I heard you talking about that, too. Is
12 the question you're asking people right now how to make
13 the Playground Grant and Tire Commercialization Grant
14 better, or is it should we have those grants --

15 CHAIRPERSON PEACE: The question was --

16 COMMITTEE MEMBER PAPARIAN: -- with civil
17 engineering and RAC.

18 CHAIRPERSON PEACE: I think the question was,
19 should we still have them?

20 COMMITTEE MEMBER PAPARIAN: That's what I thought
21 I heard. I just want to make sure, because Lindsay, I
22 think, was talking about how to make the Grant Program
23 better. But I think the question you were asking is
24 should we have the Commercialization Grants? Should we
25 have the Playground Grants?

1 CHAIRPERSON PEACE: Even if we do keep something
2 like that, I think Lindsay's point is well taken, that it
3 should cover, you know, all the projects that we've given
4 Commercialization Grants to, to get help market those
5 products.

6 MR. SNYDER: Rick Snyder, U.S. Rubber.

7 There's a couple of good points made here. But
8 if you try to take away the whole program -- you've
9 touched upon how popular it is. On one hand, you're
10 trying to work with something that's very popular. And on
11 the other hand, you've got all these agencies that don't
12 want to do a project, and you're trying to force feed it.
13 So you're trying to argue with success.

14 Maybe another way to look at it is to take and
15 say this program needs to be refocused. And the
16 playground isn't as efficient as maybe the backfill is for
17 artificial turf. If you just cancelled that whole grant,
18 you would have just cancelled the most popular product in
19 sports today. That's the new artificial synthetic turf
20 with crumb rubber backfill in it. So before you make a
21 fell swoop like that and try to cut something completely
22 out, maybe you just need to take out parts of it.

23 There's other things that are very interesting
24 developing in the sports. There's a new base mat being
25 made out of 100 percent crumb rubber, and it's used for

1 running tracks and also for the synthetic turf. There is
2 a huge market developing there, and I would hate to see
3 you guys turn away from it just because the playground
4 issue is not as usable as it used to be.

5 CHAIRPERSON PEACE: I think our point is that we
6 can't continue to fund something that costs 50 or \$100 a
7 tire for every dollar we give.

8 MR. SNYDER: I agree.

9 CHAIRPERSON PEACE: It's just not cost effective.
10 And these programs are programs that -- the tracks and
11 stuff are programs that aren't going to continue on their
12 own. They're only going to continue as long as we can
13 give them the bulk of the money.

14 MR. SNYDER: They're going to go on their own.
15 The city of Hemet has one of the poorest school districts
16 in the state, and they voted to build an artificial turf
17 at Hemet High School because of the cost savings of water
18 and maintenance over a five-year period. So it's
19 happening. It's spreading like wild fire.

20 CHAIRPERSON PEACE: So they don't need our money.
21 They just voted to do it on their own.

22 MR. SNYDER: That's saying there's demand.

23 What you're saying is the guy has a sore on his
24 ankle, so let's cut off his leg. We'll take and segregate
25 and move out the playground and still look at the running

1 tracks, still look at the turf, look at it from a business
2 standpoint.

3 CHAIRPERSON PEACE: If we can still fund those
4 things and get rid of a tire for every dollar we put in,
5 I'll look at those. But I'm not going to look at them if
6 for every dollar -- it's going to cost us \$150 to get rid
7 of a tire in these programs. That's not cost efficient.

8 MR. SNYDER: It's the chicken and the egg,
9 though. I could conversely say how long are you going to
10 keep trying to force RAC down these local agencies'
11 throats?

12 MS. DICKINSON: This is Linda Dickinson with the
13 Board. And I worked on the criteria for the Playground
14 Grants. And I'm aware of the Track Grants, too. And the
15 reason why the cost per tire was that high on some of the
16 grants is we included the installation and some of the
17 material costs. And so it wasn't just the tire cost, just
18 the material for the tires.

19 And so the next set of grants, which the
20 application is out right now, doesn't include all those
21 figures. So we'll have new figures for that we'll be able
22 to evaluate, and have new costs per tire. We'll be able
23 to evaluate the whole program better. So I think we'll
24 have new figures to evaluate whether the program should
25 continue or not. So I think we'll be able to figure it

1 all out a little better than just with the past figures.

2 BOARD MEMBER MARIN: I think what we were basing
3 our decision -- at least I know I was, is when you look at
4 we provided a grant to build a playground and --

5 MS. DICKINSON: Just the surfacing. We allowed
6 them to use equipment costs, playground equipment, not
7 just the surfacing.

8 BOARD MEMBER MARIN: The way I was looking at it,
9 we gave the particular institution \$100,000 to build x.
10 That got rid of five tires. That's very expensive. Okay.
11 Do you see what I'm saying? Versus, yeah, it was because
12 they built this and they built that and they took into
13 consideration this and that.

14 At the end of the day is the results. Our
15 mandate is to get rid of tires, not put them in the
16 landfill. By this program, by giving this institution so
17 much money, we got rid of 100 tires. That was very
18 expensive. So what we want to do is increase the number
19 of tires that do not end up into the landfill.

20 But the question, you know -- I think that at the
21 end of the day many of the programs, what we really want
22 the measure of the success of the program is when that
23 program has outlived its purpose and when we are so
24 successful because now there are so many schools and
25 jurisdictions that believe that the rubberized track

1 fields and playgrounds are so good, then we have done our
2 job. We no longer have to fund that. I think that would
3 be the biggest success, when we can no longer fund it.
4 That it's so clear that the benefits are so huge, that the
5 institutions would do it on their own without necessarily
6 us funding them. I think that, in effect, when that
7 program is no longer funded, that's when we claim we've
8 been successful.

9 MS. DICKINSON: And right now I'm doing the
10 commercialization grantees, and those grantees are already
11 telling me that 30 to 40 percent of their customers are
12 from our grantees. So if we cut those playground and
13 track grantees, they're going to lose 30 to 40 percent of
14 their customer base. So they wanted me to pass that on
15 also. So those grantees aren't here today, those that
16 have told me that.

17 MS. SMITH: Can I respond to that?

18 The loss of the grant programs -- and I'm not
19 talking about the Tire Commercialization Grant, which is a
20 separate category. But the loss of the grant programs to
21 the institutions who use the product, they are created by
22 the people who are supported by the Tire Commercialization
23 Grant. The loss of that program would be catastrophic.

24 I think it is unrealistic to think that in this
25 decade that our products are going to become so popular

1 and well established that they're going to transcend the
2 enormous commercial gap that exists between those products
3 that are made out of a highly processed and relatively
4 expensive material, crumb rubber process, further
5 processed into molded or whatever form, which compete with
6 very, very, very steep resources. Products that compete
7 with concrete. Products that compete with tanbark.
8 Products that compete with asphalt. Products that compete
9 with -- what other -- sandbags.

10 We are offering the public valuable products.
11 And they have their own virtues, aside from the fact they
12 are recycled tire rubber, in solving a critical
13 environmental malaise. But at the same time, they are
14 across the board more expensive than the alternative.
15 There must be an incentive, a long-range incentive, given
16 to encourage people.

17 The greatest market -- the greatest untapped
18 market is the market of the new user, the pilot project
19 user. These are people who are interested in the project.
20 They can't find it in their budget, because sometimes
21 people have budgets laid out for five years, and now we're
22 asking them to put a bump in that budget to try a recycled
23 tire product that may in the long run save them money. In
24 the long run, they may not have to replace it as often.
25 In the long run, they may have these other virtues.

1 But they need help to perform that bump in their
2 budget, and that comes from this organization. I think
3 that is where our \$34 million in tax dollars have to go.
4 We have got to get people on the bandwagon. There are
5 millions of customers out there who have never gotten on
6 the bandwagon, and they won't without the incentive that
7 the grant programs and the subsidies and whatever names
8 they're called provide. I think we need more grant
9 programs. I think we need more dollars put into organized
10 grant programs.

11 The question of was it an expensive tire, that's
12 very possible. I mean, you know, this is new. It's new
13 for everybody. It's certainly new for the CIWMB.

14 And Linda talked about the fact now there have
15 been improvements. These are all very simple things.
16 These are equations. These are formulas. These are
17 formulas that say if you use up this many tires in your
18 project, you're going to get this much money. If you use
19 up this many tires, you're going to get this much money.
20 That provides an incentive to a potential customer to use
21 the product that is going to use up the most amount of
22 rubber. So they'll end up not going to the product that's
23 actually using the 100 tire mark, because they'll get more
24 reimbursement.

25 These are very, very simple problems to overcome,

1 and I think we have to overcome them. I think we have to
2 open our mind to where we can provide more subsidies for
3 people for pilot projects to get them on the bandwagon.

4 And I think your point was very, very well taken
5 that let's take these products more popular. What makes
6 them more popular is we get people on the bandwagon. And
7 it's no different than the coupon that people give to
8 people to go to their store and get a discount with a
9 coupon so they're going to go buy this brand of tomato
10 sauce instead of some other brand. We are the high-end
11 tomato sauce. Every one of our products is competing with
12 a generic brand that's going to cost the customer much
13 less. We've got to give them that coupon.

14 CHAIRPERSON PEACE: With tomato sauce, you give
15 them a coupon, they go and buy it. It might cost a little
16 bit more, but they like it better so they'll buy it next
17 time. But in a track, they might put the money in the
18 track and think this is a great track, but they're not
19 going to buy another one for a long, long, long, time.

20 MS. DICKINSON: It's the district, so the next
21 school they're in charge of --

22 CHAIRPERSON PEACE: We have to give them the same
23 amount of big money to keep that going.

24 DEPUTY DIRECTOR LEE: Madam Chair, if I might.
25 Just as a matter of just the timing of the meeting this

1 afternoon, I think we all have sacrificed our lunch in an
2 attempt to get of here early. We have ten more identified
3 speakers for this item and we haven't even touched on the
4 manifest. If I could ask the Board Chair perhaps we could
5 have a three-minute limit on the comments so we can move
6 along.

7 MS. BABAUTA: Just to follow on what Lindsay was
8 saying, in our projects, we can pass on the information
9 that we do for rubberized asphalt concrete but also in
10 transition to recreational surfaces. If it's a
11 suggestion -- if it's the cost per tire, maybe you can
12 limit the RAC Grants applications to just the playground
13 covers and track and recreational. Because based on our
14 experience with the League of Cities, there's a lot of
15 interest from elected officials, city council members, and
16 mayors who are interested in using the playground covers
17 and track. As much as they express interest in rubberized
18 asphalt concrete, I can say that they express the same
19 interest in regards to playground track and recreational
20 surfaces. That's it. Thank you.

21 MR. BLUMENTHAL: One of the things that keeps on
22 resonating is two-fold. One, at some point in time these
23 grants might end up impacting these other people. As long
24 as you have the grants given out, you should get something
25 back from them. We talked about this last time. There's

1 no doubt that using rubber in playgrounds is the safest
2 material out there. They will buy it because it is safe.
3 But they need the information.

4 I think that one of the stipulations you need to
5 put into these grants is that you get some sort of report
6 back. If it's on a playground surface, the report should
7 indicate the type of reduction in injuries. Was there
8 one? How severe was it? And then once you have that
9 information coming in from a number of different reports,
10 you can put together a trend line and get that information
11 out into the marketplace.

12 Some people might buy it because it is a recycled
13 product. Some people might buy it because there is a
14 grant. But if you take away the grant money, the simple
15 fact that it is a recycled product probably is not good
16 enough to sell, especially if it's going to be a lot more
17 expensive. But if they see there are benefits, it will
18 reduce the injuries, it will reduce the severity of the
19 injuries, last longer than anything else out there, that
20 over the life cycle of that product it is the most cost
21 effective and safest material possible, that will sell the
22 product long after the grants are gone.

23 So you have the ability to put those stipulations
24 into the grants and get that information and then make
25 that information available. And that is the best

1 marketing tool that you can come up with. And it may work
2 in a small area. One school does it. The other school
3 may do it. But you have a large state, and information,
4 as we have seen, does not travel very far. If you get
5 that information, put it into a report, and get it out
6 into the marketplace, that will sell the product long
7 after your grants end. Thank you.

8 MS. FRENCH: Okay. Our next one is Joaquin
9 Wright. He's with Brian A. Stirrat and Associates.

10 MS. DICKINSON: He had to leave.

11 MS. FRENCH: He's no longer here. Our next one
12 is Ernest N.E. Moore with Ecoterra Global Limited.

13 MR. MOORE: Good afternoon, Madam Chair and
14 members of the Board. I'm Ernest Moore from Ecoterra
15 Global Limited in Kings City, South Monterey County.

16 I came to thank you for the assistance that you
17 provided. And I find today's discussion extremely
18 interesting from several aspects. One of the points that
19 was raised this afternoon was the return on investment or
20 the financial assessment of a project, and I couldn't
21 welcome that more. I think that's extremely important.

22 I can tell you sincerely and genuinely that we
23 will welcome working with people to calculate the
24 financial return you get from the grant that we were
25 awarded, because I will tell you now that I believe that

1 will save you 50 to \$100,000 a week. So all these figures
2 are kind of interesting, because we recycle to original
3 use. Nobody's talked about that, whatever that's
4 possible, in the passenger car or a commercial van.

5 I used to be a direct with Good Year
6 International in Europe. They're ten years ahead of us.
7 They sell 25 million remanufactured car and commercial van
8 tires a year, 25 million. Each one of them saved them
9 five to eight gallons of oil. They don't have our
10 resources. And it works. And the factory defect ratio
11 backed by the Remold Manufacturers Association or the
12 Retread Manufacturers Association in Europe over 20 years,
13 these products are equal to or better than new tires.
14 There's no issue of safety. Fuel savings can be increased
15 5, 7 percent.

16 And, Mr. Paparian, you're talking about a 10
17 percent improvement. If my company can't provide a 10
18 percent improvement in mileage, in wet skid, and in fuel
19 savings combinations by the year 2006, I'll resign.
20 Because it's absolutely available. They have green tire
21 technologies that exist. They're using silica
22 reinforcement, developing that. We're going to do that
23 regardless.

24 I wanted to thank you, because we've worked with
25 a lot of other agencies. We've had wonderful support from

1 Employment Training Panel, because I'm bringing a new
2 technology here. Not new elsewhere in the world, because
3 these tires are sold in Japan and Korea and India and
4 China now, all of Europe, South Africa, Brazil, just
5 country after country. And, remember, we were the last
6 major country to introduce the radial tire. Last major
7 tire country. We're going to be the last major country to
8 introduce the remold tire. And it isn't totally for no
9 reason.

10 These savings are real. And they can be real.
11 For a \$250,000 grant, we'll take 3-, 400,000 tires out of
12 the pile every year. That's a little more than \$100 a
13 tire.

14 COMMITTEE MEMBER PAPARIAN: You received one of
15 our Commercialization Grants?

16 MR. MOORE: Yes, I did, sir.

17 COMMITTEE MEMBER PAPARIAN: And I'm ecstatic. I
18 really hope that you succeed tremendously. And I know
19 others here have received our Commercialization Grants.
20 Lindsay Smith was here. She has received money from the
21 Rubber Sidewalks Program.

22 This is why I think we need to maintain some
23 level of this grant program, because innovation happens.
24 But innovation can be expensive. And I think that having
25 multiple markets for these products is going to be

1 important. And, you know, hopefully everybody succeeds.
2 But we're probably going to have the situation where some
3 people succeed. Some people succeed better than others.
4 Some might not. But I think it's important that we
5 continue the type of Commercialization Programs that
6 allows this project that we're just hearing about, you
7 know, to come forward and hopefully be very, very
8 successful.

9 MR. MOORE: I'm looking forward to that. And I
10 welcome that follow-up. In fact, I'm going to volunteer
11 it, because I really do believe it would be tragic --
12 whether I ever received another grant or not, it would be
13 tragic to eliminate the program. But to refocus on new
14 applications and an ROI, that's a completely different
15 matter. And I think that absolutely should be done.

16 In our case, it's a little different. We're
17 going to recycle to original use where we have an
18 acceptable casing. And, fortunately, you helped us
19 purchase some state of the art shearography, laser optics,
20 and ultrasound units and systems that didn't exist five
21 years ago when I was a director with Good Year. They just
22 didn't exist. But today they do exist.

23 And I also concur with the point that was made
24 today. You see my speech has gone to the side because I
25 listened to what was happening. I can understand totally

1 why you want to get out of the total R&D stage and get
2 into practical applications where you start getting a
3 return. And there are applications out there where you
4 can get a return. And I'm convinced that we will start
5 providing that return by the second half of 2005.

6 Now, bringing in new technology -- a proven new
7 technology here but proven elsewhere means we have to
8 train a lot of people. And we have a lady that was with
9 Monterey County in the Economic Development Department.
10 She's joined my company as Vice President. She took early
11 retirement. She's worked with the State Employment
12 Training Panel. They have granted us a major grant for
13 training, and it will require exactly what you're
14 discussing. You have to take people, because nobody knows
15 how to make a remold tire here. But they're going to
16 learn. And I really think that the grant program, well
17 conceived -- it's just a must, because there's no other
18 place that people can go. Can't go to a bank. A bank
19 loans money to you when you no longer need it.

20 DEPUTY DIRECTOR LEE: Mr. Moore, can you please
21 conclude your remarks so we can give everybody a chance to
22 speak, sir?

23 MR. MOORE: I would just like to say I think your
24 market development area, taking it beyond research and
25 development, is highly important. I think the return on

1 investment really should become a major focus of what
2 you're doing to make sure you really are getting a return.

3 And, lastly, I'll conclude with two things. I'm
4 going to continue to work diligently on lower rolling
5 resistance compounds, because I know the technology is out
6 there and can be brought to bear. It will take some
7 practical testing, but it's there.

8 And, lastly, I think is the fact that we will
9 always be using a higher recycled content in our products.
10 And we've demonstrated that we can do that.

11 That's the end of my comments. I just came from
12 King City to thank you for your help.

13 CHAIRPERSON PEACE: Thank you.

14 Can you tell me, was Ecoterra one of the grants
15 that was in the reallocation? So he wouldn't have gotten
16 the grant unless he was in the reallocation?

17 MS. FRENCH: That's correct.

18 CHAIRPERSON PEACE: To me, when I looked at the
19 grants that we had given, that one was one of the ones I
20 would have put at the top of the list, not one that would
21 have been reallocated. That's what I'm talking about the
22 Product Commercialization Grants. We need to look at new
23 inventive ideas and things of that nature, not just
24 expanding existing businesses and putting things into
25 businesses that we already have.

1 BOARD MEMBER MARIN: One of the things I would
2 like to say -- maybe I misspoke, because when I was
3 talking about refocusing our area, I wasn't trying to get
4 rid of the Product Commercialization Grants. I was
5 talking about more the Playground Cover Grants and the
6 Track and Other Recreational Surfaces. In no way, shape,
7 or form -- I believe strongly in researching and
8 development, because that is going to make us create new
9 products. And that will hopefully -- and with new
10 technologies will make our job easier.

11 What I was just very concerned about is the
12 amount of money that we have for civil engineering
13 purposes and RAC. When you compare that with the monies
14 that were given to playground and track and other
15 recreational facilities, it's about the same amount of
16 money. One gives us a lot more than the other. But if
17 anybody here understood that I do not support the Product
18 Commercialization Grants, please, that's not the case. I
19 do strongly support that. Okay.

20 MS. FRENCH: Thank you.

21 Our next speaker is Ali Solehjou from RJ Noble
22 Company. Are you still here? There he is.

23 MR. SOLEHJOU: Good afternoon. My name is Ali
24 Solehjou. I'm engineering manager for RJ Noble Company.

25 We are asphalt paving contractor. We do not have

1 a special interest in rubberized asphalt. Just to give
2 you some numbers, we have produced over a million tons of
3 asphalt concrete in the past year. But 250,000 tons of it
4 was rubberized asphalt. That would translate to 750,000
5 tires. And we are happy being part of that.

6 I would like to agree with the County of Los
7 Angeles. Even though we don't work in the county of Los
8 Angeles, we are at Southern California focused on Orange
9 County and San Bernardino and Riverside County area as far
10 as our contracts. We'd like to agree with them in the
11 fact that there is a lack of education with the local
12 agencies for the use of rubberized asphalt.
13 Unfortunately, they do not know the benefits. They just
14 look at the dollar amount that they spend more per ton of
15 the rubberized asphalt. And history shows that the dollar
16 amount difference has been decreasing. I can give you
17 numbers. About 15 to \$20 difference per ton based on the
18 size of the project. That's the only difference you have
19 at this point.

20 So in support of the Rubberized Paving
21 Association proposal to go to \$5 per ton grant, you get
22 rid of three tires per ton of asphalt. So that would
23 encourage those local agencies that do not know the value
24 of the engineering in the rubberized asphalt to get more
25 encouraged to use that.

1 And I believe I've heard about there is a limit
2 of dollar amount for the projects. I think that should be
3 taken off. If you're really concerned that the amount of
4 return of money for tire you get, like I said, it's three
5 tires per ton. I don't think any of the other methods of
6 recycling would give you that.

7 We do not have a special interest in rubberized
8 asphalt. We produce asphalt concrete all together. So I
9 think that's the best method.

10 And I'm an engineer, my background. The best
11 product that you have right now in the rehabilitation of
12 the roadways is rubberized asphalt concrete.

13 MS. FRENCH: Our next speaker is Michael D.
14 Harrington. And then after him will be Barry Takallou and
15 then Mike Mohajer.

16 MR. HARRINGTON: Good afternoon, Madam Chair,
17 Board Member Washington, Chair Marin, and Board Member
18 Paparian.

19 Just briefly hearing all of these wonderful
20 things that people are going to do with crumb rubber,
21 whether it be into rubberized asphalt or sidewalks or
22 fields, we're kind of wondering, where is this crumb
23 rubber going to come from?

24 We submitted a proposal to this Committee at the
25 five-year public comment in Sacramento last month. We are

1 submitting additional support for that proposal today.
2 The original submission and the supporting proposal are
3 being submitted in concurrence with the support of the
4 tire recycling industry in California, including Tri-C,
5 Golden Buy-Products, FNRI, CRM, and our company, BAS
6 Recycling.

7 The industry has significantly changed in the
8 past several years in what at first blush would seem to be
9 dynamically opposed directions. First, we have seen the
10 crumb rubber industry lose three crumb rubber producers:
11 Bay Area Tire, RTG, and the pioneer of the crumb rubber
12 industry, Atlos Rubber. The common complaint of these
13 three defunct companies was that the price for crumb
14 rubber was lower than their price -- their cost of
15 production.

16 Subsidized crumb rubber was cascading into the
17 California marketplace at delivered prices lower than the
18 cost of production of the unsubsidized California scrap
19 tire recycler. However, the market for crumb rubber
20 continues to grow at an accelerated pace.

21 Our initial proposal and supporting documents
22 submitted to this Committee are the California tire
23 recycling industry's response to today's marketplace.
24 Adoption of our initial proposal will be a major shift in
25 the budget allocation from the Scrap Tire Management Fund.

1 However, what the Board and especially staff have to
2 recognize is that the demand for crumb rubber in
3 California, especially coupled with the probable Caltrans
4 mandate for increased use of asphalt rubber, is sufficient
5 to divert the remaining tires that are going to the
6 landfill to the tire recycling industry.

7 The Board's efforts over the past 15 years have
8 seen ever-increasing amounts of crumb rubber being
9 demanded in the California marketplace. The market for
10 crumb rubber in California is sufficient to divert the
11 remaining scrap tires from landfill disposal.

12 Now a new challenge has appeared. Will this
13 demand for crumb rubber derived from scrap tires be from
14 California crumb rubber producers or from out of state and
15 out of country subsidized crumb rubber producers? Again,
16 the demand for crumb rubber is approaching the target of
17 total landfill diversion of all scrap tires. The question
18 is, whose scrap tire will be recycled to meet that
19 demand?

20 Thank you.

21 DEPUTY DIRECTOR LEE: Barry Takallou.

22 MR. TAKALLOU: Hi. I'm Barry Takallou with CRM
23 Company. We have a tire recycling facility in
24 Los Angeles.

25 And I would like to start it off with Los Angeles

1 County. As far as we have been looking at, one of the
2 counties has been the leader in this industry has been
3 Los Angeles County.

4 I want to take you back five years ago. We were
5 a tire recycler in the state of California. Canadians,
6 they start putting their warehouses in California and
7 importing heavy subsidized crumb rubber from Canada. They
8 actually went ahead and hired my salesman, and the same
9 salesman went to my customers and said, "If you want to
10 buy Canadian rubber, half price."

11 I took my case to Sacramento. We then sit down
12 with then-director of Caltrans, Mr. Jeff Morales. He give
13 me a lip service and says, "Of course, we support
14 California rubber, but we cannot do anything about it.
15 Yeah, if it's a cheap rubber coming from Canada, we're
16 going to use it." I take my case then to Governor's
17 office, which to see the Governor had a price tag on it,
18 so I couldn't get to see the Governor's office.

19 I took my case to local agency, Los Angeles
20 County. We were not in front of you if it was not
21 Los Angeles County. Los Angeles County did not at that
22 time came to Waste Management Board and asked for getting
23 subsidies. They knew their local rubber would be a little
24 bit more expensive to them. They took the leadership.
25 They immediately implemented in their specification

1 California rubber only. And they worked directly with
2 industry. They took their specification to a general
3 specification which we call it Green Book. They read side
4 by side with us, with industry, take it to the Green Book.

5 And that's why Southern California agencies which
6 are using Green Book all using California rubber. That's
7 why CRM Company today is in front of you and is proud to
8 say we are making money. This is the leadership of a
9 local county sitting in front of you. They didn't come in
10 front of you for money then. They felt it. This is a
11 responsibility. And they act on it at the time it was
12 needed. That was 1999. Thank you very much, L.A. County.

13 The second point, Madam Chair Marin, you
14 mentioned rate of return for investment. We talked about
15 \$150 per tire in Track Program. We sell crumb rubber to
16 asphalt. We sell to track, playground. We get calls from
17 brokers from New York which they conduct lots of business
18 on cellular phone in sports bar. And they're watching
19 sports and brokering rubber for playground money coming
20 from Waste Management Board.

21 I was curious how come I'm a rubber supplier in
22 this state, and I'm selling my rubber to a broker in the
23 state of New York. And that price wasn't an issue for
24 them. You know, I started with normal price. I said,
25 "Hey, the guy's willing to pay more. Why not?"

1 What I'm trying to get at, since there is no
2 performance measures and it look like it's acceptable
3 practice, \$150 per tire, Waste Management Board through
4 these grant programs are getting gouged. I'm not talking
5 about the playground equipment. I'm talking about just
6 the crumb rubber side of it. Even though the price of
7 rubber side of it, there's no control. Why not? The only
8 thing this guy had interest had one bag of rubber to say
9 this is made in California, California rubber and satisfy
10 his grant requirement.

11 When you come to the RAC Program, somebody was
12 talking about forcing, spoon feeding to RAC Program. This
13 subsidiary which RPA recommended, this is the money going
14 to the public roads. This money is not coming to private.
15 I do support subsidizing money to public agency. And as
16 an industry, I do not support any private subsidy.
17 Because that's intervention of government into private
18 sector.

19 You know, we keep criticizing Canadians. We may
20 be doing the same thing right here. Interrupting playing
21 level field. We are copying a bad model. That model
22 didn't work. The model of work was L.A. County. And L.A.
23 County, they came to teamwork with the private sector,
24 public-private partnership.

25 So I'm coming to these Board members for the last

1 14 years and never enjoyed it this much like today, the
2 level of involvement of the Board member on these issues.
3 I had several comments, but you all know more than me.
4 And in the short period of time you people have been
5 enacted, I'm really, really pleased what I'm seeing.
6 Thank you very much.

7 MS. FRENCH: Okay. Next we have Mike Mohajer,
8 and then after him, Michael Blumingthal.

9 MR. MOHAJER: Madam Chairs and members of the
10 Board, again, just for the record, as I said earlier this
11 morning, I'm retired from County Public Works over a year
12 and a half ago. I have been appointed with the L.A.
13 County Board of Supervisor to their Integrated Waste
14 Management Task Force which oversees solid waste on a
15 county-wide basis. I'm also the Chair of the Los Angeles
16 County Solid Waste Appeal Board that oversees the relation
17 between the LEAs and the solid waste facility operators.

18 I'm doing all this work as a volunteer. I'm not
19 a consultant to anyone, nor am I doing any lobbying for
20 anyone. And some question that was asked with me, who am
21 I doing work for? No one, nor would I be working for
22 money for the rest of my life as it stands today. But my
23 loyalty remains with county of Los Angeles. This is for
24 the matter of record. In the future if some issue comes
25 up, that's what my position is.

1 Now, having said that, couple of issues that was
2 raised this morning between you, Ms. Peace and
3 Mr. Paparian, and that was the issue of the AB 939
4 hierarchy and the issue the Board has adopted as a part of
5 their zero waste goal. And that goes in the page 7 that
6 you read and Mr. Paparian referred to. Well, that's the
7 Board policy which says this hierarchy is to be used as a
8 guidance, but not as a rigid formula in establishing a
9 hierarchy with the Waste Tire Program.

10 This is really, from my standpoint representing
11 the Los Angeles County for umpteen thousand years, this is
12 what the county has always stand for, for the beneficial
13 use of the materials. The hierarchy of AB 939 limited
14 everything right now to source reduction and recycling and
15 not looking at the other beneficial use of the materials.
16 I call it materials. I don't call it waste. It's a
17 commodity. It's really not a justice, especially when we
18 look at -- which the issue gets sidetracked -- looking at
19 25 million tons of organic matter that went into the
20 landfill -- all the landfills in California in the year
21 2002. And I'm pretty sure the year 2003 would be pretty
22 much the same. Twenty-five million tons of organic
23 materials that can be used for beneficial reuse. So the
24 policy that is written over here is pretty important. And
25 being involved with the Task Force of the Board offices,

1 that is also, I will say, would be their position.

2 Having said that, I do agree with Mr. Paparian
3 that we probably do need some money for the product
4 stewardship. That product stewardship worked out getting
5 the e-waste legislation through in California.

6 And then I also would recommend in the WRAP
7 Program maybe allocating 2- or \$3,000 a year for those
8 industry or businesses that use waste tires for beneficial
9 uses and to recognize their effort. It's a very small
10 dollar amount. You can merge it with the WRAP Program
11 that the Board has with other programs. And it's only 2-
12 or \$3,000. That's what I recommend.

13 Thank you.

14 MS. FRENCH: Mr. Blumenthal.

15 MR. BLUMENTHAL: Thank you, Madam Chairs and
16 Board members. My name is Michael Blumenthal.

17 A quick rundown. Number one, on the 18-month
18 span for the tire conference, it's hard to put a return on
19 the investment on that. Since you have a lot of new grant
20 programs, a lot of information, the conferences do present
21 a venue for education. I think it should be continued.

22 On the idea of doing a study on emissions of a
23 pyrolytic process, the question is why. There are no
24 commercially viable pyrolysis systems out there, and we
25 doubt there will be. Looking at the emissions is not the

1 issue. The problem with pyrolysis is there are no markets
2 for their byproducts.

3 Moving into civil engineering, we applaud the
4 idea of expanding the education on that. Certainly,
5 there's a lot of work out there that can be done, a lot of
6 work that has to be done. And whatever you do, I would
7 suggest to coordinate that with the on-going project and
8 the contract with Dr. Dana Humphey.

9 On tire care and maintenance, we certainly do
10 applaud that effort. We support that effort. We'd be
11 willing to work with you and whatever agencies out there
12 on this topic. And we will continue to mention that. We
13 would like to work on the project of tire care and
14 maintenance education.

15 On RAC, we think that's also a very good market.
16 And from the meeting we had a few weeks ago here in
17 Southern California, the comments that were made I think
18 were good recommendations to bifurcate the education
19 process, not just to the counties, but also to the
20 political offices there in a tandem education program. We
21 think that is very good approach to it.

22 We support the idea of going to a secondary
23 project on wire and fluff recycling. Twenty, thirty
24 percent of the tire does not get to the market. That's
25 the wire and fluff component. The market for fluff is

1 very good right now. Fluff has always been a problem. If
2 you have -- that first report was a good report. It
3 identified the major obstacles. And doing a follow up on
4 that and getting a project that could increase the market
5 for all the products from tires obviously is going to help
6 all of the tire processors.

7 And, lastly, I was copied on an e-mail. I got it
8 yesterday from a processor up in Canada talking about the
9 fact they have not been shipping rubber down here. I
10 don't if you have received that yet. But I did get a copy
11 of a letter from Western Rubber that was addressed to each
12 one of the Board members. I think that's an issue that
13 needs to be looked into a little bit further.

14 With that, I thank you for your time and your
15 attention.

16 MS. FRENCH: Thank you.

17 We have two more speakers, Lindsay Smith and Rick
18 Snyder. And then we'll move to manifest.

19 MS. SMITH: Thank you. Lindsay Smith, Rubber
20 Sidewalks, Inc. I would like to make three comments about
21 the Tire Commercialization Grant.

22 The reports that were done at the last Board
23 meeting or the last workshop had an overview of the
24 grants, the grantees over the years, and diagramed the
25 success and struggles and failures and so forth. I think

1 there's three things that could be done that would greatly
2 implement the program and allow for greater success.

3 The first one is the concept of the third-party
4 check. The entire program is based on reimbursement at
5 this time. It is almost counter-intuitive to ask a
6 company to embark on a new product and then at the same
7 time ask them to be able to find the money to create a
8 credit line to finance the equipment machinery and
9 marketing needs so they can spend that money in order to
10 send the paperwork up to Sacramento to get reimbursed. It
11 simply has to change in my opinion.

12 With, of course, some parameters of how the
13 system would work, I see no reason why a grant awardee
14 cannot make an expenditure that is paid directly from the
15 grant program in Sacramento by providing the proper
16 paperwork and having the check sent to that vendor or at
17 that point sent to the awardee to then pay the vendor. It
18 has been a struggle for many of us who embarked on new
19 products to find money simply to pay money so that we
20 could get it reimbursed. It wasted an enormous amount of
21 time in my case, and my story is not unique. So
22 third-party check writing or check system.

23 Another great asset that the program, which goes
24 in the category have due diligence, is when a company --
25 again, we have sort of a catch 22 where we want people to

1 do something new. We want new blood to come in, new
2 ideas. Well, these are the very people who do not
3 oftentimes have resources and capital behind them and they
4 may also not have the business behind them. And the grant
5 program could provide some sort of third-party mentoring
6 or business support for the awardees.

7 And I can only speak to my own situation, that
8 had I not had the mentoring and business support from Rick
9 Snyder and U.S. Rubber, my company would never have gotten
10 off the ground. And this is something that could be built
11 into the program to help small businesses be good business
12 people.

13 And the third and most significant and most
14 important is marketing dollars. To have grant funds given
15 only for equipment is completely counterproductive. All
16 the equipment in the world and all the product in the
17 world is irrelevant if the marketing dollars are not in
18 place to get the word out.

19 Marketing dollars are soft money. They're hard
20 to identify. They're hard to quantify. And, therefore,
21 it can be very fearful to be putting out money for
22 marketing. It is the only way that any of our products
23 really, really get into any kind of mainstream use. We
24 need marketing dollars. We need them to be built into the
25 program. When we get a grant, we should be actually

1 mandated to spend some of our dollars on marketing
2 dollars. And the entire program itself needs to, I think,
3 re-evaluate what they're spending on marketing.

4 And just to close this up, I will tell you about
5 what happened when Huel Houser and his environmental
6 program, "California's Green," featured my company and
7 U.S. Rubber. My phones have never stopped ringing, ever.
8 This was one four-minute interview on a PBS show that airs
9 on KCT and then is syndicated through the state of
10 California and across the nation. One show, four minutes
11 that Rubber Sidewalks was featured, my phone has never
12 stopped ringing. We have enormous assets in somebody like
13 a Huel Houser and in other people to get the word out
14 about what we're doing and the products we're making
15 available. Thank you.

16 MS. FRENCH: And our last speaker is Rick Snyder
17 with U.S. Rubber.

18 COMMITTEE MEMBER PAPARIAN: Madam Chair, I'm
19 going to have to leave for another commitment. I
20 appreciate being able to sit with this Committee today,
21 and I'll review the rest of the transcript. I think we're
22 going to have a lot of these discussions over the next few
23 months.

24 CHAIRPERSON PEACE: Mike, thank you for being
25 here. We appreciate it.

1 MR. SNYDER: Hi. Rick Snyder, U.S. Rubber.

2 I think there's a couple of areas of the
3 Five-Year Plan that need to be tweaked. And Lindsay just
4 kind of stepped on me a little bit, but I don't want to
5 change her message. But from our standpoint as the
6 largest maker of molded product in the state of California
7 and perhaps the third largest maker in the U.S., we don't
8 believe the Tire Product Commercialization Program is
9 working. Too much of the criteria is subjective to the
10 staff that scores the program.

11 To give you a for instance, two years ago we
12 applied for a grant to sell Sams Club. We did it. The
13 biggest program Sams has ever had with recycled materials,
14 it was turned down by the CIWMB. Last year we applied for
15 the program which I mentioned previously to regrind our
16 scrap. We produce more scrap than most of the awardees
17 produce product. We were turned down by the CIWMB. So I
18 don't think this program is working at all.

19 Now, I like you guys. You want to reach out and
20 try to grasp in space and find new products, that's great.
21 Lindsay happened to have one that worked. We got about
22 one that works for every ten we try. To me, that's
23 wasting California money. And it's taking money from U.S.
24 Rubber.

25 I don't apologize for being the biggest and the

1 best. I want what's coming to me. The people of
2 California pay that money for those tires to help support
3 companies like U.S. Rubber that are successful, not to
4 fund pie in the sky projects.

5 So my idea, we need to make convertible loans
6 instead of grants. That way, the risk to the state of
7 California goes way down. You give the people the money
8 and say, "Here. Low interest rate. You use this money
9 for three or four years. Then come back to me." If you
10 tell me, "Oh, it didn't work, I'm sorry," well, then
11 you're going to have to pay that loan back. But if you've
12 got projects that work and were great and you used the
13 tires as you said you would, then you convert them into
14 grants. It's a great project. It gives you an insurance
15 umbrella in case you get caught with your pants down
16 funding something that really didn't work out. There's a
17 lot of great salespeople out there that's going to sell
18 you stuff. A lot of states use this program. It's very
19 successful.

20 The thing I want to get behind Lindsay on is the
21 marketing aspect of it. I don't believe there's near
22 enough money spent to help us market our products. And it
23 needs to be focused, not like the tire gauges and the bulk
24 e-mail list. It needs to be focused at designers, end
25 users, and architects. That way we can educate them.

1 We've been talking about that all day with RAC.

2 And then, thirdly, I'm very concerned about the
3 supply of crumb rubber. You see people going out of
4 business. You talk about them not being profitable. And
5 just in our market alone, one of our biggest competitors
6 is from Germany.

7 They happened to make the mistake of doing a
8 joint venture with me. And I find out their rubber is 100
9 subsidized by the government of Germany. All the numbers
10 worked out perfect. When we run our cost model versus
11 what our material cost versus what their material cost,
12 basically for every pound they make in Germany, we were
13 subsidizing that pound cost and letting them market that
14 product to the world. That's their way of getting rid of
15 tires.

16 I don't want to see us lose our local suppliers,
17 because it's very expensive to ship a commodity from out
18 of state. Now, I know it seems like there's a big
19 potential for Iraq and all that, but right now we're down
20 to three maybe viable suppliers in the state. And it
21 could end up being a lot worse than that in the future if
22 we don't get behind them a little bit. That's all I had
23 to say.

24 MS. FRENCH: Thank you.

25 We're going to move to the Hauler Manifest

1 Program. Victoria, can you bring that up?

2 --o0o--

3 WASTE TIRE DIVERSION SUPERVISOR SIMPSON: Madam
4 Chair, we'll move on to Waste and Used Tire Program and
5 Manifest System. That's table 10, page 53.

6 The Hauler Manifest Staffing of four-and-a-half
7 positions is at 444,000 per fiscal year.

8 The CHP Contract for Vehicle Checkpoints is also
9 400,000 in 05-06 and 06-07, and then 600,000, 07-08. Now,
10 this is for stops. The previous 200,000 was for aerial
11 surveillance.

12 Also, the Hauler Program and Manifesting is at
13 \$1.1 million a year in 05-06, and 700,000 in '06 and
14 07-08. If you do have your Five-Year Plan, it's page 53.
15 This activity does include printing of forms, postage,
16 training, and Information Management Branch expenses.
17 They did some mail-outs.

18 DEPUTY DIRECTOR LEE: A few additional comments
19 on that.

20 Frank, are you finished?

21 WASTE TIRE DIVERSION SUPERVISOR SIMPSON: There's
22 one last category. It was an error that we need to bring
23 your attention to, one last change. The total for FY 2007
24 and '08 should read \$1,744,000, rather than 1,544,000.
25 And that's it.

1 DEPUTY DIRECTOR LEE: Madam Chair, just a few
2 additional remarks with regards to this manifest
3 situation. The existing Manifest Program is the result of
4 previous Board direction implementing the recommendation
5 of a third-party Board-funded evaluation of the Tire
6 Program. It called for participation of generators, end
7 user, and haulers in a manifest system to "close the loop"
8 on accountability.

9 With that said, staff has wrestled over the past
10 several months with -- over the past year, 15 months
11 trying to get a workable solution to the manifest issue.
12 We've been working closely with the Board Chair and shared
13 many of her concerns with regards to the burden this is
14 creating on staff and also on the regulated community. We
15 are currently working on alternatives to the program which
16 we expect to present to the Board at the November -- to
17 the Committee in November, Special Waste Committee, for
18 consideration to revise the program in a manner that
19 hopefully will make it more cost effective, more
20 responsive, more easy to administer, and less of a burden
21 on both the staff and the regulated community.

22 MS. FRENCH: Okay. And our first speaker is
23 William Prinz, and he's with the City of San Diego Local
24 Enforcement Agency.

25 MR. PRINZ: Good afternoon, Madam Chairs and

1 Board Member Washington.

2 The revised Used and Waste Tire Manifest System
3 that was developed under SB 876 has proven to be
4 burdensome to stakeholders and enforcement agencies. A
5 disproportionate amount of LEAs' time is spent educating
6 and re-educating some waste tire businesses to properly
7 fill in blanks on the manifest forms and trip logs. This
8 time allocation could be better spent addressing real
9 waste tire problems.

10 The waste tire manifest system needs to be
11 simplified and viewed as an enforcement tool, rather than
12 an end in itself. An inspector when visiting a waste tire
13 business needs to be able to determine that a registered
14 waste tire hauler is collecting and properly disposing of
15 the tires. The illegal tire piles can best be prevented
16 through vigorous enforcement and surveillance programs.
17 Excessive amounts of time have been spent training tire
18 shops to fill in bubbles on a form. Time would better be
19 spent in implementing field activities to tackle real
20 problems and prevent waste tire hazards that were once
21 legacy in the state.

22 The presence of waste tire inspectors in
23 San Diego has prevented chronic illegal tire dumping that
24 was a problem in Barrio Logan and urban alleys throughout
25 the city. Manifests can be a useful tool in prevention of

1 illegal tire dumping. However, manifests contain basic
2 information, and an easy to use format will enable LEAs to
3 more effectively do their job. We appreciate the Board's
4 efforts in attempting to simplify the current manifest
5 system and will continue to work with you towards that
6 end.

7 CHAIRPERSON PEACE: Thank you, Bill. I think
8 you'll be very happy to see the new proposal we have
9 coming before the Board for the new manifest system.

10 MS. FRENCH: Our last speaker is Terry Leveille
11 with TL and Associates.

12 Okay. That wraps up the public comment. Did
13 you --

14 CHAIRPERSON PEACE: I just want to say we had
15 some really good discussions here today. I like this.

16 I guess if there's anything else anybody would
17 like to say or any other ideas they have, any other
18 suggestions, they can send them to the Special Waste
19 Division.

20 Chair Marin, do you have anything you'd like to
21 say?

22 BOARD MEMBER MARIN: I'm just very happy that I
23 attended this hearing or meeting or whatever you want to
24 call it. I think it was really fascinating for me to
25 learn firsthand some of the more important issues related

1 to waste tires.

2 You've done a great job. I do want to commend
3 staff. And I know that you guys worked very, very hard to
4 put together an event like this and to work with a
5 three-year plan that is really a Five-Year Plan but it's
6 missing two years. And they're coming together with that.
7 I just do have to hand my hat off to all of you. It's
8 just amazing. And I know that you are juggling so many
9 balls at the same time. It is amazing that you don't drop
10 any of them.

11 Madam Chair, you have great staff. And they
12 already know how I feel. And you know how I feel about
13 the manifest system. So I know you're working very hard
14 to come up with something that is reasonable that really
15 fulfills the mandate that we have. And I'm really looking
16 forward. You have a great Committee.

17 And I certainly want to thank Mr. Washington for
18 all his time and his input. It's always welcome. And I
19 thank all of you for the opportunity to have me here
20 today.

21 CHAIRPERSON PEACE: Mr. Washington, do you have
22 anything you want to add before we adjourn?

23 COMMITTEE MEMBER WASHINGTON: No. I think it was
24 good, Madam Chair, again, as a member of this Committee,
25 the information. And I believe this is democracy at its

1 best. People are coming in and giving some of their
2 thoughts and concerns.

3 And I just want to attach myself to the comment
4 from Madam Chair about the staff. They do work extremely
5 hard, and I'm very pleased we're able to come down to
6 Southern California and get some views from the
7 stakeholders and those who will be affected by the
8 decisions we make as a Board.

9 CHAIRPERSON PEACE: Thank you again for everybody
10 that did come today. Your input will help the Board
11 create the best possible tire program for the state, for
12 the state of tires, and the state of the environment. So
13 thank you, and this meeting is adjourned.

14 (Thereupon the California Integrated Waste
15 Management Board Special Waste Committee
16 Public Comments on Five-Year Plan for
17 the Waste Tire Program Adjourned at 2:50 PM)

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1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
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10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 9th day of November, 2004.

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